MUFTI
MUMBAI

CREDO BRANDS MARKETING LIMITED
(fka Credo Brands Marketing Private Limited)
Plot No. B-8, MIDC Central Road, Marol MIDC,
Andheri (E), Mumbai - 400093. INDIA
Tel. No.: +91 22 6141 7200 Email: helpdesk@mufti.in
Website: Corporate: www.credobrands.in
Ecommerce: www.muftijeans.in
CIN : L18101MH1999PLC119669

August 17, 2026

To
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001

Scrip Code: 544058

To
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex
Bandra (E), Mumbai – 400 051

Scrip Symbol: MUFTI

Dear Sir/Madam,

Sub.: Notice of 27th Annual General Meeting and Annual Report for the Financial Year 2025-26

This is further to our Letter dated August 11, 2026, intimating that the 27th Annual General Meeting ("**AGM**") of the Members of the Company will be held on Friday, September 11, 2026 at 12:30 P.M. (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM").

Pursuant to Regulation 34(1) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the Notice of AGM and Annual Report for FY 2025-26 and the same are also available on the Company's website at:

Notice of AGM and Annual Report for FY 2025-26	https://www.credobrands.in/investors/financials/#acc_46

The aforesaid documents are being mailed only through electronic mode to those Members, whose email IDs are registered with the Company, Registrar and Transfer Agent or the Depositories.

This is for your information and records.

Yours faithfully,
For **Credo Brands Marketing Limited**

Sanjay Kumar Mutha
Digitally signed by Sanjay Kumar Mutha
Date: 2026.08.17 17:35:45 +05'30'

Sanjay Kumar Mutha
Company Secretary and Compliance Officer

Encl.: As above

CREDO BRANDS MARKETING LIMITED
CIN: L18101MH1999PLC119669
Registered Office: B 8, MIDC Central Road, Marol, Andheri (E), Mumbai - 400093
Website: www.credobrands.in | Email: Investorrelations@mufti.in | Tel. No.: +91 22 6141 7200

NOTICE

Notice is hereby given that Twenty-seventh Annual General Meeting (AGM) of the Members of Credo Brands Marketing Limited ("Company") will be held on Friday, September 11, 2026 at 12:30 P.M. (IST) through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. **To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2026, together with the Reports of the Board of Directors and the Auditors thereon**

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

   "**RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2026 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

2. **To declare Dividend of ₹ 2.00 per share on Equity Shares for the financial year ended March 31, 2026**

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

   "**RESOLVED THAT** dividend at the rate of ₹ 2.00 (Rupees Two only) per equity share of ₹ 2.00 (Rupees Two only) each fully paid-up of the Company, as recommended by the Board of Directors, be and is hereby declared for the financial year ended March 31, 2026 and the same be paid out of the profits of the Company."

3. **To appoint Mrs. Poonam Khushlani, who retires by rotation, and being eligible, offers herself for re-appointment**

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

   "**RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mrs. Poonam Khushlani (DIN: 01179171), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company."

SPECIAL BUSINESS

4. **To re-appoint Mr. Kamal Khushlani as Chairman and Managing Director of the Company**

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

   "**RESOLVED THAT** pursuant to the provisions of sections 196, 197, 203 and all other applicable provisions of the Companies Act, 2013 ("the Act") and Rules made thereunder read with Schedule V to the Act, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), (including any statutory modification(s), amendment(s), clarification(s), re-enactment(s) or substitution(s) thereof for the time being in force), Articles of Association of the Company and recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company and subject to such other approvals, permissions and sanctions, as may be required and subject to such other conditions and modifications, as may be imposed or prescribed by any of the Authorities in granting such approvals, permissions and sanctions, approval of the Members of the Company be and is hereby accorded for re-appointment of Mr. Kamal Khushlani (DIN: 00638929) as the Managing Director of the Company (designated as Chairman and Managing Director) for a period of five years on expiry of his present term of office, i.e., with effect from March 08, 2027 on such terms and conditions and remuneration, as set out in the explanatory statement annexed hereto.

   RESOLVED FURTHER THAT pursuant to the provisions of section 197 of the Act read with Schedule V to the Act, where in any financial year during the currency of the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company may pay to the Managing Director the above Remuneration, as the minimum remuneration for the period of three years, by way of salary, perquisites and other allowances and benefits, subject to receipt of the requisite approvals, if any.

   RESOLVED FURTHER THAT pursuant to the regulation 17(6)(e) of the SEBI LODR Regulations, the approval of the Members be and is hereby also accorded to pay annual remuneration to the Executive Directors, who are Promoters of the Company, exceeding

NOTICE (CONTD.)

₹ 5.00 crore or 2.5% of the net profits of the Company, whichever is higher, for each such director or exceeding 5 per cent of the net profits for more than such directors, during the currency of the tenure.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee thereof) be and is hereby authorised to vary, amend, modify and revise from time to time the terms of appointment and remuneration payable to the Managing Director, subject to overall ceiling of above Remuneration, as may be desired appropriate by the Board and to do all such acts, deeds, matters and things, as may be required or deemed necessary or incidental thereto and to delegate all or any of its powers herein conferred to any Committee of Directors and to seek necessary approvals or settle any questions, difficulties or doubts that may arise in this regard without further referring to the Members of the Company."

By Order of the Board of Directors

Sanjay Kumar Mutha
Company Secretary
ACS No. 15884

Mumbai, August 11, 2026

Notes:

1. **Holding of the Annual General Meeting through Video Conferencing/Other Audio-Visual Means**

   Pursuant to the provisions of General Circular No. 14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 05, 2020 and subsequent circulars issued in this regard, the latest being General Circular No. 03/2025 dated September 22, 2025 (collectively referred as "**MCA Circulars**") issued by the Ministry of Corporate Affairs (**"MCA"**), the Annual General Meeting ("**AGM"/"Meeting"**) of the Company is being held through Video conferencing or Other Audio Visual Means (**"VC/OAVM"**).

   In compliance with the provisions of the Companies Act, 2013 (**"the Act"**) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI LODR Regulations"**), physical attendance of the Members at the AGM is not required. Members can attend and participate at the ensuing AGM only through VC/OAVM.

   In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India (**"ICSI"**), the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM. Since AGM will be held through VC/OAVM, the Route Map for the venue of the AGM, is not annexed to the Notice.

2. Pursuant to the abovementioned MCA circulars, the attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

3. The Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting and throughout the proceedings of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. Additional Information with respect to Item No. 3 and the Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the business under Item No. 4 of the Notice, is annexed hereto. The relevant details as required pursuant to Regulation 36(3) of the SEBI LODR Regulations and Secretarial Standard - 2 on General Meeting issued by the ICSI, in respect of the Director(s) seeking appointment/re-appointment at the AGM, are disclosed in the Explanatory statement.

5. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since, this AGM is being held pursuant to the MCA Circulars 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. However, the Bodies Corporate are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through remote e-voting.

6. Institutional shareholders/corporate shareholders (i.e. other than individuals, HUFs, NRIs, etc.) are required to send a scanned copy (PDF/JPG Format) of their respective Board or governing body Resolution/Authorisation etc., authorising their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting. The said Resolution/Authorisation shall be sent to the Scrutiniser by e-mail on its registered e-mail address to siroyam@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUFs, NRIs etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter, etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.

7. In accordance with the aforesaid MCA Circulars and regulation 36(1)(a) of the SEBI LODR Regulations, electronic copy of the Annual Report for the financial year 2025-26 and the Notice calling of this AGM inter-alia indicating the process and manner of remote e-voting, are being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Registrar and Transfer Agent/Depository Participants/National Securities Depository Limited and the Central Depository Services (India) Limited, (collectively referred to as "Depositories").

NOTICE (CONTD.)

Further, in compliance with Regulation 36(1)(b) of the SEBI LODR Regulations, a letter providing the web-link, including the exact path, where Annual Report for the financial year 2025-26 is made available, is being sent to those members whose e-mail address is not registered with the Company/Registrar and Transfer Agent/Depository Participants/ Depositories.

Registration for receiving Notice of the AGM and Annual Report:

Members whose e-mail IDs are not registered with the Company may register the same on or before 5.00 p.m. (IST) on Friday, August 28, 2026, to receive Notice of this AGM and Annual Report for 2025-26:

a) Click on the URL: https://web.in.mpms.mufg.com/EmailReg/Email_Register.html and select 'Credo Brands Marketing Limited' from the drop down.

b) Enter DP ID and Client ID (for shares held in electronic form), Shareholder name, PAN, Mobile No. and e-mail ID. Then click on 'Continue' button.

c) Enter the system generated One Time Password ("OTP") received on Mobile No. and e-mail ID, then click on "Submit" button. The request ID will be generated.

E-mail ID registered is for limited purpose of sending the Notice and the Annual Report 2025-26.

Members are requested to register/update their email addresses, in respect of electronic holdings with the Depository through the concerned Depository Participants by following due procedure.

Copies of the aforesaid Notice and Annual Report for 2025-26 are also available on the Company's website https://www.credobrands.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of National Securities Depository Limited ("NSDL") (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

8. **Registrar and Transfer Agent ("RTA")**

The name of the RTA changed from "Link Intime India Private Limited" to "MUFG Intime India Private Limited" (MUFG Intime/RTA) with effect from December 31, 2024 upon acquisition of Link group by Mitsubishi UFJ Trust & Banking Corporation.

9. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participants for the shares held in electronic form.

Members are requested to send all communications to our RTA at the following address:

MUFG Intime India Private Limited
(Unit: Credo Brands Marketing Limited)
C-101, 1st Floor, 247 Park,
Lal Bahadur Shastri Marg,
Vikhroli (West), Mumbai 400 083
Phone: +91 810 811 8484
Fax: +91-22-6656 8494
Email: investor.helpdesk@in.mpms.mufg.com

10. **Final Dividend for 2025-26**

The Board of Directors of the Company has recommended a dividend of ₹2.00 (100%) per Equity Share of ₹2.00 each of the Company. The proposed dividend, if declared, at the forthcoming Annual General Meeting, will be paid/credited, subject to deduction of tax at source, as may be applicable, within a period of 30 days from the date of declaration, to those Members whose names appear in the Company's Register of Members or in the list of beneficial owners as per the particulars to be furnished by the Depositories as on the record date i.e. Friday, August 28, 2026.

11. **Electronic Credit of Dividend**

Pursuant to Regulation 12 of the SEBI LODR Regulations, payment of Dividend shall be made only through electronic mode. Accordingly, no physical warrants or demand drafts shall be issued towards payment of dividends.

SEBI has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the Registrar and Transfer Agent for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through the National Electronic Clearing Service (NECS)/

National Electronic Fund Transfer (NEFT)/Real Time Gross Settlement (RTGS)/Direct Credit, etc.

Members holding shares in demat form are requested to ensure that their KYC details, including bank account details are updated with their respective Depository Participants ("DPs") to provide timely credit of dividend in their bank accounts.

The Company or our RTA cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the DPs of the Members.

12. TDS on Dividend

Pursuant to the requirement of the Income-Tax Act, 2025, the Company will be required to withhold taxes at the prescribed rates on the dividend paid to its members.

For the prescribed rates for various categories, shareholders are requested to refer to the Income-Tax Act, 2025 and amendments thereof. Shareholders are requested to update their Permanent Account Number ("PAN") with the Company or RTA and Depositories (in case of shares held in demat mode) on or before Friday, August 28, 2026.

A Resident individual shareholder with PAN and whose income does not exceed maximum amount not chargeable to tax or who is not liable to pay income tax, as the case may be, can submit a yearly declaration in Form No. 121, to avail the benefit of non-deduction of tax at source by e-mail to csgexemptforms2627@in.mpms.mufg.com by Friday, August 28, 2026.

Members are requested to note that if the PAN is not correct/invalid/inoperative or not linked with AADHAR or have not filed their income tax returns, then tax will be deducted at higher rates prescribed under Section 397(2) of the Income-Tax Act, 2025, as applicable and in case of invalid PAN, they will not be able to get the credit of TDS from the Income Tax Department.

Non-resident shareholders [including Foreign Institutional Investors ("FIIs")/Foreign Portfolio Investors ("FPIs")] can avail beneficial rates under tax treaty between India and their country of tax residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 41, any other document which may be required to avail the tax treaty benefits. For this purpose, the shareholder may submit the above documents (PDF/JPG Format) by e-mail to csgexemptforms2627@in.mpms.mufg.com or at Tax Exemption Link: https://web.in.mpms.mufg.com/formsreg/submission-of-Form-121-41.html The aforesaid declarations and documents need to be submitted by the shareholders by Friday, August 28, 2026, in order to enable the Company to determine and deduct appropriate tax.

No communication on the tax determination/deduction shall be entertained post Friday, August 28, 2026. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from the shareholders, there would still be an option available with the shareholders to file the return of income and claim an appropriate refund, if eligible.

In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the shareholder, such shareholder will be responsible to indemnify the Company and also provide the Company with all information/documents and co-operation in any appellate proceedings.

13. Investors Education and Protection Fund (IEPF)

Pursuant to Section 124 of the Act, Dividends, if not encashed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF").

The details of unpaid/unclaimed dividends lying with the Company are as under:

Particulars	Date of declaration	Last date for claiming due amount
Dividend 2023-24	August 30, 2024	October 05, 2031
Dividend 2024-25	September 22, 2025	October 28, 2032

Members are requested to claim their dividends from the Company, within the stipulated timeline.

14. Nomination

Members can themselves avail of the facility of nomination pursuant to the provisions of Section 72 of the Act. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.

15. SEBI online Dispute Resolution:

SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 04, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market.

Pursuant to above-mentioned circulars, post exhausting the option to resolve Investors grievances with the RTA and/or the Company directly and through existing SEBI Complaints Redress System (SCORES) platform, the investors can initiate dispute resolution through the ODR Portal (https://smartodr.in/login).

16. In terms of Regulation 40 of the SEBI LODR Regulations, securities of listed companies can only be transferred in dematerialised form with effect from April 01, 2019, except in case of transmission or transposition of securities.

17. Inspection of Documents

The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and Register of Contracts or arrangements in which directors are interested maintained under Section 189 of the Act, a certificate of Secretarial Auditor on implementation of the Company's Employee Stock Option Scheme(s) and relevant documents referred to in this Notice of AGM and explanatory statement, will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for electronic 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 Investorrelations@mufti.in.

18. Instructions for e-Voting and Joining the AGM are as Follows:

I. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the SEBI LODR Regulations (as amended), Secretarial Standard on General Meetings issued by the ICSI as amended and the MCA Circular(s), the Company is providing facility of remote e-voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has engaged NSDL for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a Member using remote e-voting system as well as voting at the AGM will be provided by NSDL.

II. Members will also be provided with the facility for voting through electronic voting system during the VC/OAVM proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-voting, will be eligible to exercise their right to vote upon announcement by the Chairman. Members who have cast their vote on resolution(s) by remote e-voting prior to the AGM will also be eligible to participate at the AGM through VC/OAVM but shall not be entitled to cast their vote again on such resolution(s).

III. The remote e-voting period commences on Tuesday, September 08, 2026 (9:00 a.m. IST) and ends on Thursday, September 10, 2026 (5:00 p.m. IST). During this period, Members holding shares as on Friday, September 04, 2026 i.e. cut-off date, may cast their vote electronically through remote e-voting.

The e-voting module shall be disabled by NSDL for voting thereafter. Members have the option to cast their vote on any of the resolutions using the remote e-voting facility, either during the period commencing from Tuesday, September 08, 2026 (9:00 a.m. IST) to Thursday, September 10, 2026 (5:00 p.m. IST), or e-voting during the AGM.

IV. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, September 04, 2026.

V. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date shall only be entitled to avail the facility of remote e-voting or e-voting during the AGM. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company as on the cut-off date will be entitled to vote during the AGM.

VI. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution again.

VII. The details of the Process and Manner for remote e-Voting are explained herein below:

The way to vote electronically on NSDL e-voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

NOTICE (CONTD.)

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

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

B. Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/ OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digits client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to siroyam@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Ms. Prajakta Pawle at evoting@nsdl.com.

19. **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice**:

    1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investorrelations@mufti.in.
    2. In case shares are held in demat mode, please provide DPID-CLID (16 digits DPID + CLID or 16 digits beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investorrelations@mufti.in. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
    3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
    4. In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

20. The Instructions for members for e-Voting on the day of the AGM are as under:

- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

21. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under

A. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

22. Instructions for Members for attending the AGM through VC/OAVM are as under:

- Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against the Company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. 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 to avoid last minute rush.
- Members are encouraged to join the Meeting through Laptops for better experience.
- Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the AGM.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investorrelations@mufti.in. The same will be replied by the Company suitably.

23. Speaker Registration and Submission of Questions/Queries prior to AGM

- Members who would like to express their views/ask questions during the AGM may register themselves as a speaker by sending their request atleast 7 (Seven) days prior to AGM mentioning their name, demat account number/folio number, PAN, e-mail address, mobile number at investorrelations@mufti.in.
- Only those Members who have registered themselves as a speaker will be allowed to express their views/ask questions during the meeting.
- Members will get confirmation on first cum first served basis.
- Members who are registered as speakers for the event are requested to download and install necessary software as required for attending AGM.
- Members are requested to speak only when moderator of the meeting/management will announce the name and serial number for speaking
- Please note that the Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.
- The Members who do not wish to speak during the AGM but have queries may send their queries in advance 7 (seven) days prior to the AGM mentioning their name, demat account number/folio number, e-mail address, mobile number at investorrelations@mufti.in. These queries will be replied to by the Company suitably by e-mail.

NOTICE (CONTD.)

24. The Board of Directors has appointed Mr. Mukesh Siroya (Membership No. FCS - 5682) of M/s. M Siroya and Company, Company Secretaries as the Scrutiniser to scrutinise the remote e-voting process and voting conducted during the AGM through e-voting in a fair and transparent manner.

25. The Scrutiniser will, after the conclusion of e-voting at the Meeting, scrutinise the votes cast during the Meeting and votes cast through remote e-voting, make a consolidated Scrutiniser's Report and submit the same to the Chairman and Managing Director of the Company or any person authorised by him.

The voting results will be announced within two working days of conclusion of the Meeting. The voting results along with the consolidated Scrutiniser's Report, will be placed on the website of the Company at www.credobrands.in and on the website of NSDL at www.evoting.nsdl.com. The result will simultaneously be forwarded to BSE Limited and National Stock Exchange of India Limited and shall also be displayed at the Registered Office of the Company.

By Order of the Board of Directors

Sanjay Kumar Mutha
Company Secretary
ACS No. 15884

Mumbai, August 11, 2026

Registered Office:
Credo Brands Marketing Limited
CIN: L18101MH1999PLC119669
Regd. Off.: B 8, MIDC Central Road, Marol,
Andheri (E), Mumbai - 400093
Tel. No.: +91 22 6141 7200
Website: www.credobrands.in
Email: Investorrelations@mufti.in

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT") AND ADDITIONAL INFORMATION AS REQUIRED UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND CIRCULARS ISSUED THEREUNDER

Item No. 3

To appoint Mrs. Poonam Khushlani, who retires by rotation and being eligible, offers herself for re-appointment

In terms of Section 152(6) of the Companies Act, 2013, ("the Act"), Mrs. Poonam Khushlani (DIN 01179171) Whole-time Director of the Company shall retire by rotation and being eligible, offers herself for re-appointment.

The requisite details and information, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings are given in the Annexure 1, which forms part of the Explanatory Statement to the Notice.

She has given a declaration that she is not disqualified from being appointed as a Director in terms of Section 164 of the Act. Based on the recommendation of the Nomination and Remuneration Committee, your directors recommend Resolution at Item No. 3 as an Ordinary Resolution for approval of the Members.

Save and except Mrs. Poonam Khushlani, Whole-time Director and Mr. Kamal Khushlani, Chairman and Managing Director, being related to each other and to the extent of shares held by them alongwith their relatives in the Company, none of the directors, key managerial personnel and relatives of directors and/or key managerial personnel are concerned or interested in the proposed resolution mentioned at item no. 3.

Item No. 4

To re-appoint Mr. Kamal Khushlani as Chairman and Managing Director of the Company

The Members of the Company at their Extraordinary General Meeting held on March 29, 2022, had appointed Mr. Kamal Khushlani (DIN: 00638929) as the Chairman and Managing Director of the Company for a period of five years with effect from March 08, 2022. The present tenure of Mr. Kamal Khushlani as the Managing Director of the Company would come to an end on March 07, 2027.

The Nomination and Remuneration Committee and the Board of Directors at their separate meetings held on May 21, 2026, have considered and recommended for re-appointment of Mr. Kamal Khushlani as the Chairman and Managing Director of the Company for a period of five years on expiry of his present term of office, i.e., with effect from March 08, 2027on the terms and conditions including remuneration, as set out herein.

The terms and conditions of the appointment and the proposed remuneration payable to him as the Managing Director of the Company would be as follows:

Remuneration:

1. **Fixed remuneration**: Fixed remuneration during the tenure of five years shall be in the scale of ₹ 1.70 crore to ₹ 3.00 crore per annum which includes basic salary and taxable perquisites and other allowance but excluding perquisites to the extent exempted under the Income-tax Act, 2025 (including any statutory modification, re-enactment, replacement, thereto).
2. **Annual Incentive:** in addition to the Fixed remuneration, performance linked Annual Incentive would be paid @ 2% of Profit before Tax (PBT) of each financial year.

Other terms of appointment:

a. **Perquisites:** Subject to overall ceiling as aforesaid, the Managing Director shall have liberty to opt for such other allowances, perquisites and incentive as he deems fit including house rent allowance, medical reimbursement, leave travel concession for self and family, club fees, use of Company cars and such other allowances, benefits, amenities and facilities, etc., as per the Company's Rules or as may be agreed to between the Board of Directors and the Managing Director.

b. The Managing Director will also be a member of the Group Medical/Health Insurance/ Personal Accident Insurance policies and Directors and Officers Insurance Policy of the Company.

c. **Exempted perquisite:** in addition to the perquisites referred above, he will also be eligible to the following perquisites, which shall not be included in the computation of the ceiling on remuneration.

- Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 2025;

NOTICE (CONTD.)

- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service;
- Encashment of leave at the end of the tenure; and
- Reimbursement of expenses incurred for the business of the Company.

d. Subject to the applicable provisions of the Companies Act, 2013 ("the Act") perquisites and allowances shall be evaluated as per Income Tax Rules, 2026 (including any statutory modification, re-enactment, replacement, thereto), wherever applicable, and at cost, in the absence of any such Rule.

e. He shall perform such duties as shall from time to time be entrusted to him by the Board, subject to superintendence, guidance and control of the Board. He shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.

The requisite details and information, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") and Secretarial Standards on General Meetings are given in the Annexure 1, which forms part of the Explanatory Statement to the Notice.

Specific information as required under Schedule V of the Act is provided in the Annexure 2, which forms part of the Explanatory Statement to the Notice.

Mr. Kamal Khushlani satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under Section 196(3) of the Act for his re-appointment. He has given requisite consents and declarations and also confirmed that he is not disqualified from being appointed as Director in terms of Section 164 of the Act.

In terms of the applicable provisions of the Act and the SEBI LODR Regulations, approval of the Members is being sought for approval of re-appointment and remuneration payable to Mr. Kamal Khushlani as the Chairman and Managing Director of the Company.

Your directors recommend Resolution at Item No. 4 as a Special Resolution for approval of the Members.

Save and except Mr. Kamal Khushlani, Chairman and Managing Director and Mrs. Poonam Khushlani, Whole-time Director, being related to each other and to the extent of shares held by them alongwith their relatives in the Company, none of the directors, key managerial personnel and relatives of directors and/or key managerial personnel are concerned or interested in the proposed resolution mentioned at item no. 4.

By Order of the Board of Directors

Sanjay Kumar Mutha
Company Secretary
ACS No. 15884

Mumbai, August 11, 2026

Registered Office:
Credo Brands Marketing Limited
CIN: L18101MH1999PLC119669
Regd. Off.: B 8, MIDC Central Road, Marol,
Andheri (E), Mumbai - 400093
Tel. No.: +91 22 6141 7200
Website: www.credobrands.in
Email: Investorrelations@mufti.in

Annexure 1

DETAILS REQUIRED IN REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS ON GENERAL MEETINGS.

Particulars	**Director Seeking Re-Appointment/Appointment**	
Name	Mr. Kamal Khushlani	Mrs. Poonam Khushlani
Director Identification No.	00638929	01179171
Age	59 years	58 years
Brief Resume/Experience/qualification	Mr. Kamal Khushlani is the Promoter Founder and Chairman & Managing Director of the Company. He holds a Bachelor's degree in Commerce from the University of Mumbai. With over 34 years of experience in the apparel industry and a keen eye for fashion and style, Mr. Kamal Khushlani has successfully built the Company from the ground up. He has created, nurtured and led the brand "Mufti", which was launched in 1998 and has evolved into one of India's leading menswear brands. He believes in creating a wave of culture and fashion that originates in India and is embraced worldwide. With this vision, he aims to position "Mufti" firmly in the mid-premium to premium segment of the Indian apparel market.	Mrs. Poonam Khushlani is the Promoter and Whole-Time Director of the Company. She has been associated with the Company since its incorporation and is a co-founder of the Company. She has over 25 years of experience in the field of apparel retail. She is currently responsible for the overall management of the Company.
Expertise in specific functional area and Skills and Capabilities	Entrepreneurship, Marketing, Fashion Retail	General business Management
Terms and condition of re-appointment	He was named as first Director in the Articles of Association of the Company and was also appointed as Chairman and Managing Director w.e.f. March 08, 2022 for a period of five years. He is now re-appointed as the Managing Director of the Company (designated as Chairman and Managing Director) for a period of five years on expiry of his present term of office, i.e., with effect from March 08, 2027 and other terms of conditions as mentioned in the Explanatory statement.	She was named as first Director in the Articles of Association of the Company and was also appointed as Whole-time Director w.e.f. May 09, 2023 for a period of Five years. In terms of Section 152(6) of the Companies Act, 2013, she is liable to retire by rotation and being eligible, offers herself for re-appointment.
Date of first appointment on the Board	April 29, 1999	April 29, 1999
Directorships of other Boards as on March 31, 2026	None	None

NOTICE (CONTD.)

Particulars	Director Seeking Re-Appointment/Appointment	
Membership in the Committees as on March 31, 2026	• Corporate Social Responsibility Committee– Chairman • Risk Management Committee – Chairman	• Stakeholder Relationship Committee – Member • Corporate Social Responsibility Committee – Member
Shareholding in the Company including shareholding as a beneficial owner as on March 31, 2026	Mr. Kamal Khushlani directly holds 18,309,220 (28.01%) equity shares of ₹2/- each of the Company. Apart from the above, Mr. Kamal Khushlani together with other Promoter and Promoter Group, hold 55.0% equity shares of the Company.	Mrs. Poonam Khushlani directly holds 14,039,480 (21.48%) equity shares of ₹2/- each of the Company. Apart from the above, Mrs. Poonam Khushlani together with other Promoter and Promoter Group, hold 55.0% equity shares of the Company.
Number of Board Meeting attended	5 out of 5 meetings held in FY 2025-26 2 out of 2 meetings held in FY 2026-27 (till the date of this Notice)	5 out of 5 meetings held in FY 2025-26 2 out of 2 meetings held in FY 2026-27 (till the date of this Notice)
Disclosure of relationship between Directors inter-se or between the director and the manager and other key managerial personnel of the Company	Mr. Kamal Khushlani is the spouse of Mrs. Poonam Khushlani. He is not related to any other Director/Key Managerial Personnel of the Company.	Mr. Kamal Khushlani is the spouse of Mrs. Poonam Khushlani. She is not related to any other Director/Key Managerial Personnel of the Company.
Details of listed entities from which the person has resigned in the past three year	NA	NA
Remuneration last drawn (FY 2025-26) by such person, if applicable	₹ 3.16 crore	₹ 0.51 crore
Sitting Fees/ESOPs	No sitting fees is paid to Managing Director/Whole-time Director. He being Promoter of the Company, is not eligible to receive any Stock Options.	No sitting fees is paid to Managing Director/Whole-time Director. She being Promoter of the Company, is not eligible to receive any Stock Options.

Annexure 2

Specific Information as required under Schedule V of the Act:

I. GENERAL INFORMATION:

1. **Nature of Industry**

   The Company is engaged in the business of selling of fashion casual apparel and accessories under the Brand name "Mufti" having presence through various channels at Exclusive Brand outlets, Multi Brands Outlets, Shops in Shops, distribution and ecommerce.

2. **In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** N.A.

   The Company was incorporated as Private Company and Commenced its Business since Incorporation on April 29, 1999.

3. **Financial performance of the Company based on the given indicators**

(₹ in crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Paid-up capital	13.07	13.06
Total Turnover	592.10	618.18
Profit before tax	63.80	91.83
Profit after tax	47.42	68.41

4. **Foreign investment or collaborations, if any**

   There was no foreign direct investments or foreign collaborations in the Company. As on March 31, 2026, Foreign shareholding in the Company was 0.92% of the Equity Capital of the Company.

II. INFORMATION ABOUT THE APPOINTEES:

Name	Mr. Kamal Khushlani
Background details	A brief profile of the appointee is mentioned herein above.
Past Remuneration	During the financial year 2025-26, Mr. Kamal Khushlani has received remuneration of ₹ 3.16 crore from the Company.
Recognition and Awards	Mr. Kamal Khushlani was named in the 'Most Influential Retail Leaders Listing' by Asia-Africa-GCC Retail and Shopping Centre Congress and Awards at the Asia Retail Congress in the year 2017. Mr. Kamal Khushlani was awarded the title of one of the 'Most Talented Retail Professionals' by CMO Asia at the Asia Retail Congress in the year 2015. Mr. Kamal Khushlani received the 'Retail Leadership Award' by CMO Asia at the Retail Excellence Awards in the year 2015.

NOTICE (CONTD.)

Name	Mr. Kamal Khushlani
Job profile and his Suitability	Subject to the superintendence, control and direction of the Board of Directors, the Managing Director shall manage and conduct the business and affairs of the Company. The Company led by Mr. Kamal Khushlani, has successfully demonstrated the ability to identify, growth and sustainable business of the Company.
Remuneration proposed	As set out in Item 4 in the Explanatory Statement
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Mr. Kamal Khushlani is Promoter of the Company and he along with other promoter and promoter group holds 55.0% of the total Equity Shares of the Company. His relatives are also draw remuneration from the Company. Except as disclosed herein above and besides the present and proposed remuneration, he does not have any other pecuniary relationship with the Company. Mr. Kamal Khushlani is spouse of Mrs. Poonam Khushlani. He is not related to any other Director/Key Managerial Personnel of the Company.
Comparative remuneration profile with respect to industry, size of company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Mr. Kamal Khushlani has proven his expertise to create a niche position for the Company in the area of men's fashion retail and expand its business throughout the country. It is also imperative for any retail company to have highly experienced entrepreneur having specialised knowledge and skills to understand and project the market trend, consumer behavior, consumption pattern and many relevant indicators for better product mix. The Nomination and Remuneration Committee and the Board of Directors reviewed his profile and considered that the remuneration proposed to him is justified and commensurate with other organisations of the similar type, size and nature in the retail industry.

III. OTHER INFORMATION:

1. Reasons of loss or inadequate profits: N.A.

The Company has posted a net profit after tax of ₹ 47.42 crore during the financial year ended March 31, 2026.

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

3. Expected increase in productivity and profits in measurable terms: It is envisaged that the Company should have adequate profits in the coming years.

IV. DISCLOSURES:

The additional details as required to be disclosed in the Board's Report under the heading "Corporate Governance, have been disclosed in the Corporate Governance Report, which form part of the Annual Report.

INFORMATION AT A GLANCE:

S/N	Particulars	Details
1	**Date and Time of AGM**	Friday, September 11, 2026 at 12:30 p.m. (IST)
2	**Mode of conduct**	Video Conferencing ("VC")
3	**Link to participate in the AGM through VC/OAVM**	https://www.evoting.nsdl.com *[For details, please refer Note No. 18 of the Notice]*
4	**Contact details of NSDL for assistance before or during the AGM**	E-mail: evoting@nsdl.com Contact No.: +91 22 48867000 Members may connect with: Ms. Prajakta Pawle at evoting@nsdl.com
5	**Record date for Final Dividend**	Friday, August 28, 2026
6	**Payment date for Final Dividend**	Within 30 days from the date of AGM
7	**Cut-off date to determine entitlement for e-voting**	Friday, September 04, 2026
8	**E-voting start date and time**	Tuesday, September 08, 2026 from 9:00 a.m. (IST)
9	**E-voting end date and time**	Thursday, September 10, 2026 till 5:00 p.m. (IST)
10	**E-voting event number (EVEN)**	140814
11	**Registration of e-mail ID for receiving Notice of the AGM and Annual Report**	Last date to register: Friday, August 28, 2026 on or before 5:00 p.m. (IST) Link: https://web.in.mpms.mufg.com/EmailReg/Email_Register.html
12	**Email ID and link to submit the form for TDS exemption**	Last date to submit: Friday, August 28, 2026 Email id: csgexemptforms2627@in.mpms.mufg.com Link: https://web.in.mpms.mufg.com/formsreg/submission-of-Form-121-41.html
13	**Registration as speaker shareholder**	Please send email to investorrelations@mufti.in on or before Friday, September 04, 2026. *(Please send the request from your registered e-mail ID and mention name, demat account number, PAN, mobile number in the e-mail sent for registration)*
14	**Name, address and contact details of Registrar and Transfer Agent**	MUFG Intime India Private Limited C-101, Embassy 247, L. B. S. Marg, Vikhroli (West), Mumbai - 400083. Tel No: +91 810 811 8484 Link to register queries: https://web.in.mpms.mufg.com/helpdesk/Service_Request.html Website: https://in.mpms.mufg.com/
15	**Live webcast of AGM**	https://www.evoting.nsdl.com

MUFTI

Reinvent. Premiumise. Reignite.

Annual Report
2025-26

Index

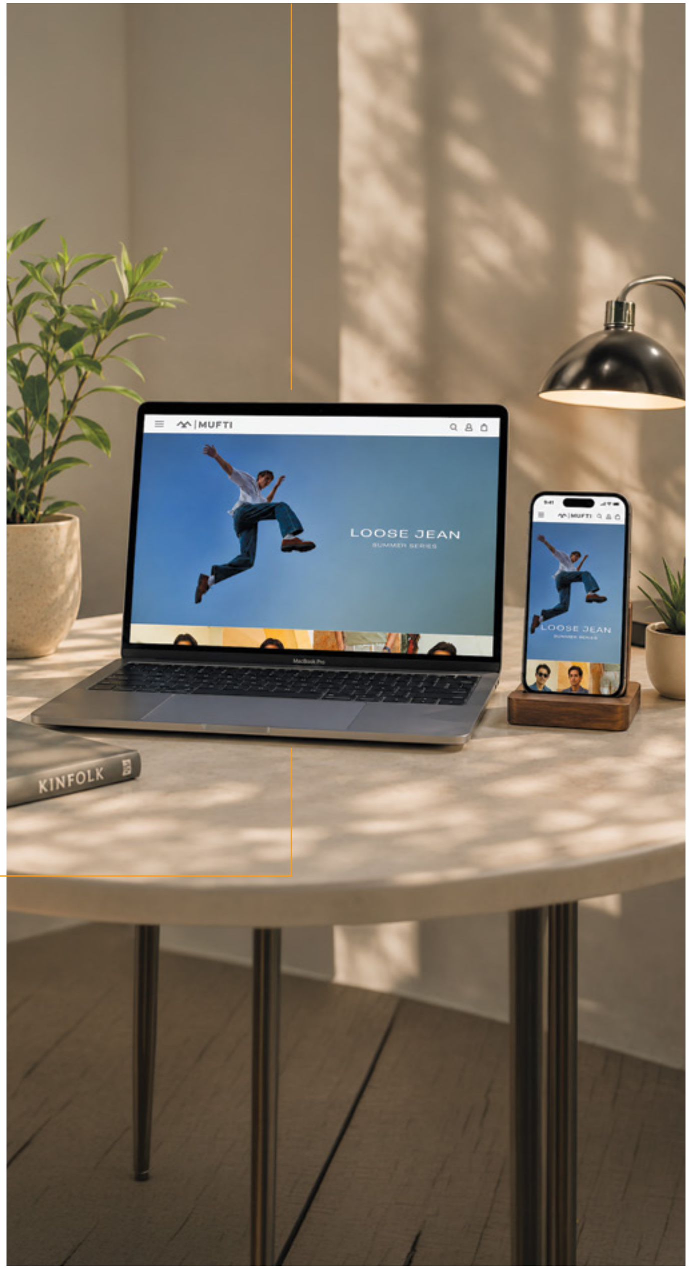
Corporate Overview 04-41

Statutory Reports 42-90

Financial Statements 91-148

For more investor-related information, please visit:
https://www.credobrands.in/investors/

Scan this QR code to access more investor-related information



Disclaimer:

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates', or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures, and financial results are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events.

Theme Introduction

REINVENT. PREMIUMISE. REIGNITE.

MUFTI

MUFTI was born from a belief that the Indian man deserved fashion with a voice of its own. Not borrowed. Not predictable. Not made to follow. But expressive, confident and unmistakably individual.

For nearly three decades, this belief has shaped MUFTI's journey. From redefining casualwear in India to becoming one of the country's leading lifestyle menswear brands, MUFTI has grown by staying close to the man it dresses: his moods, his ambitions, his attitude, his need to stand apart.

Today, that journey moves into a sharper, more elevated chapter with MUFTI 2.0.

Reinvent.

Reinvent

Premiumise.

Premiumise

Reignite.

Reignite

is the expression of this evolution.

It marks a brand reimagining how it shows up in the world. Reinventing its merchandise, retail spaces, communication and consumer experience with greater clarity and purpose. Premiumising its products, formats and brand world to match the aspirations of a more evolved Indian consumer. Reigniting the energy, confidence and individuality that have always made MUFTI distinct.

This is reinvention with intent. A clearer expression of the brand's founding spirit. A more premium experience of its creative world. A renewed connection with the modern Indian man. MUFTI 2.0 is the brand's next stride forward. More refined in expression. More elevated in experience. More powerful in the way it connects.

A brand reinventing its presence.

Premiumising its experience.

And reigniting the confidence to stand apart.

About Us

DEFINING EXPRESSION. ELEVATING EXPERIENCES.

It began as a thought. That menswear could move beyond clothing. That casualwear could carry a certain spirit. That style could speak before words ever did.

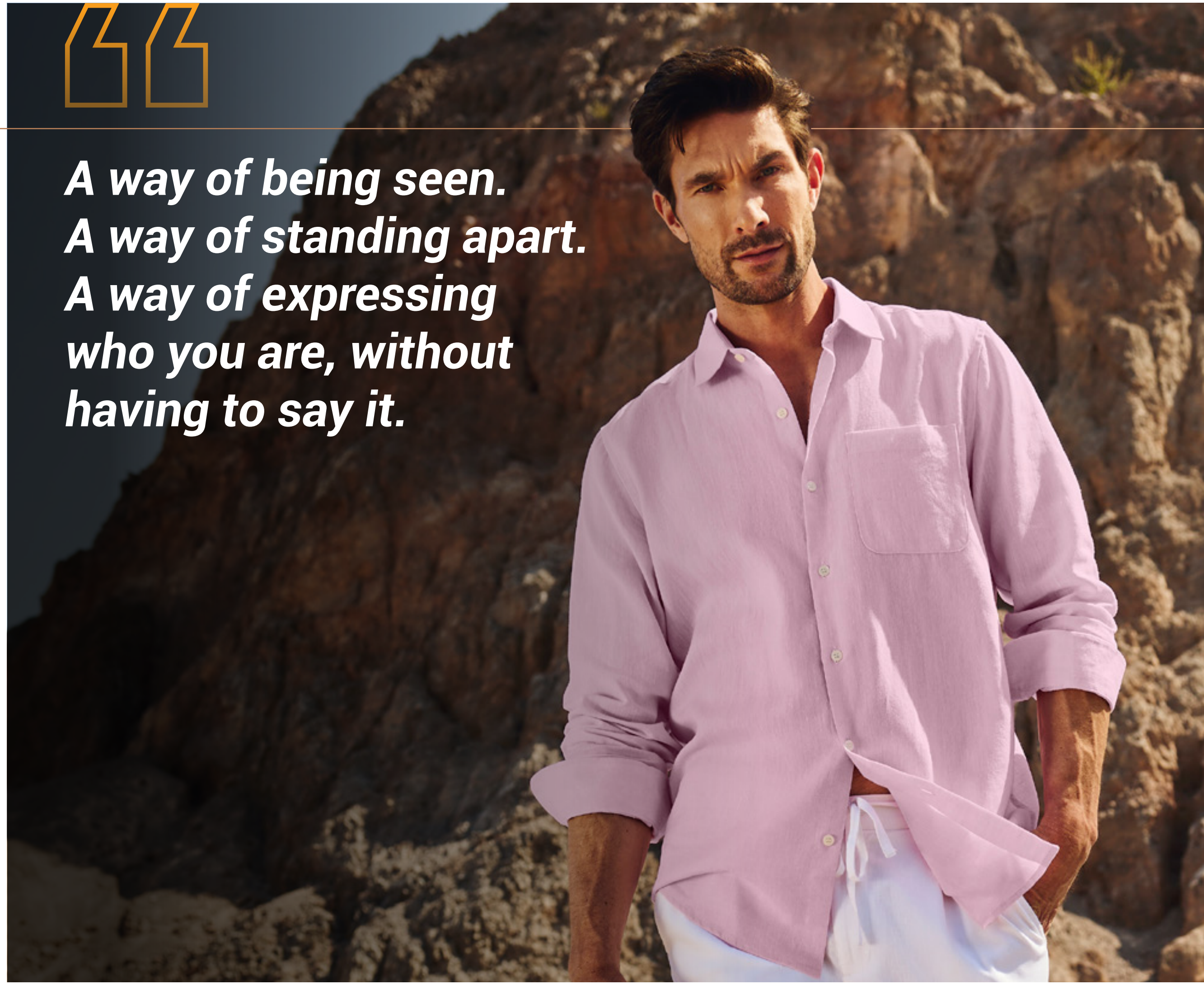
MUFTI was launched in 1998 with a simple but powerful belief: the Indian man deserved fashion that gave him the freedom to express himself. Not uniform. Not predictable. Not borrowed. But individual, bold, and unmistakably his own.

Since then, MUFTI has evolved from a homegrown idea into one of India's largest lifestyle menswear brands. Designed for the contemporary Indian man, the brand offers clothing that adapts seamlessly to every mood, moment, and occasion. Each piece reflects individuality through a thoughtful blend of creativity, comfort, detail, and craftsmanship.

Today, MUFTI's reinvented merchandise architecture offers 360-degree wardrobe solutions, with collections that mirror the diverse lifestyles and evolving preferences of the modern man.

Positioned firmly in the mid-premium to premium segment of the Indian apparel market, MUFTI bridges the gap between international premium brands and Indian counterparts. Its edge lies in a curated product philosophy, strong design control, and an asset-light model that brings flexibility without losing consistency.

As of March 31, 2026, MUFTI's presence spans over 1,900+ retail touchpoints, including 429 exclusive brand outlets across 583 cities. This extensive physical presence is supported by a growing digital ecosystem and a loyal community of over 3 million customers namely Muftisphere.



From its launch in 1998 to its evolution into MUFTI 2.0, the brand has continued to grow by staying close to the consumer. Over the years, it expanded its store network, refreshed its brand identity, earned recognition as an Indian Power Brand, listed on the BSE and NSE, and crossed 400 stores, further strengthening its presence across India.

Today, with MUFTI 2.0, the brand is entering its next chapter, one defined by premium retail experiences, elevated merchandise, sharper storytelling, and a renewed connection with the modern Indian consumer.

MUFTI is not only reinventing its look, but also premiumising the brand experience, while reaffirming what it has always stood for: expression, individuality, and confidence. More than a brand that dresses the Indian man, MUFTI empowers him to stand apart.

Mission

To design and deliver premium, expressive menswear that reflects individuality. To create immersive retail experiences; and to build MUFTI as the fashion house of a Modern India.

Vision

To be India's most sought after menswear brand, inspiring confidence and expression through premium style that is globally relevant.

Ethos

Rooted in Mumbai's free spirit, MUFTI believes in individuality over conformity, blending craft and creativity to curate expressions of style that empower men to stand apart.

Journey and Milestones

MARKING MILESTONES. BUILDING MOMENTUM.

From its origins in Mumbai to a nationwide retail presence, the brand has evolved with purpose. Each milestone has gone beyond expansion to reflect a sharper product language, deeper consumer connection, and a stronger belief in what MUFTI stands for. Together, these moments trace a journey defined as much by refinement as by scale.

1998

Launched MUFTI in Mumbai with a bold vision to redefine Indian menswear

2008

Received strategic investment from Bennett Coleman & Co. Limited

2010

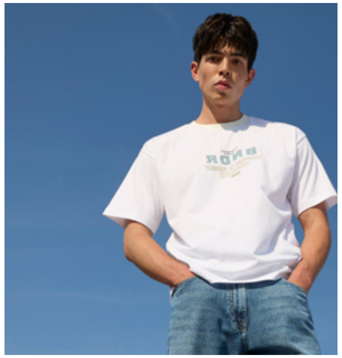
- Opened 100th Store

2011

Chosen as the 'Indian Power Brand' by the Indian consumers

2013

- Opened 200th Store
- Awarded the title of Badshah-e-Hind (Esteemed King of India) at GlamMe Awards
- Awarded Most Admired RMG Manufacturer – West



2015

Promoter of the Company awarded the Title of 'Most Talented Retail Professional' by CMO Asia

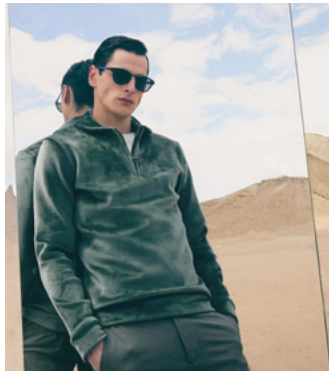
Received 'Retail Leadership Award' at the Retail Excellence Awards

2019

- Reinvented the brand philosophy and launched the new logo
- Opened 300th Store
- Received 'Retailer of the Year (Fashion & Lifestyle) Award' at Global Awards for Retail Excellence by ET Now

2022

Opened 350th Store



2023

Listed on BSE Limited and National Stock Exchange

2024

Opened 400th Store

2025-26

- Launched the first flagship MUFTI 2.0 Premium Identity Store at Phoenix Mall, Mumbai
- Advanced MUFTI 2.0 with 28 stores under the new retail identity

  14 new stores

  14 renovated stores

Geographical Presence

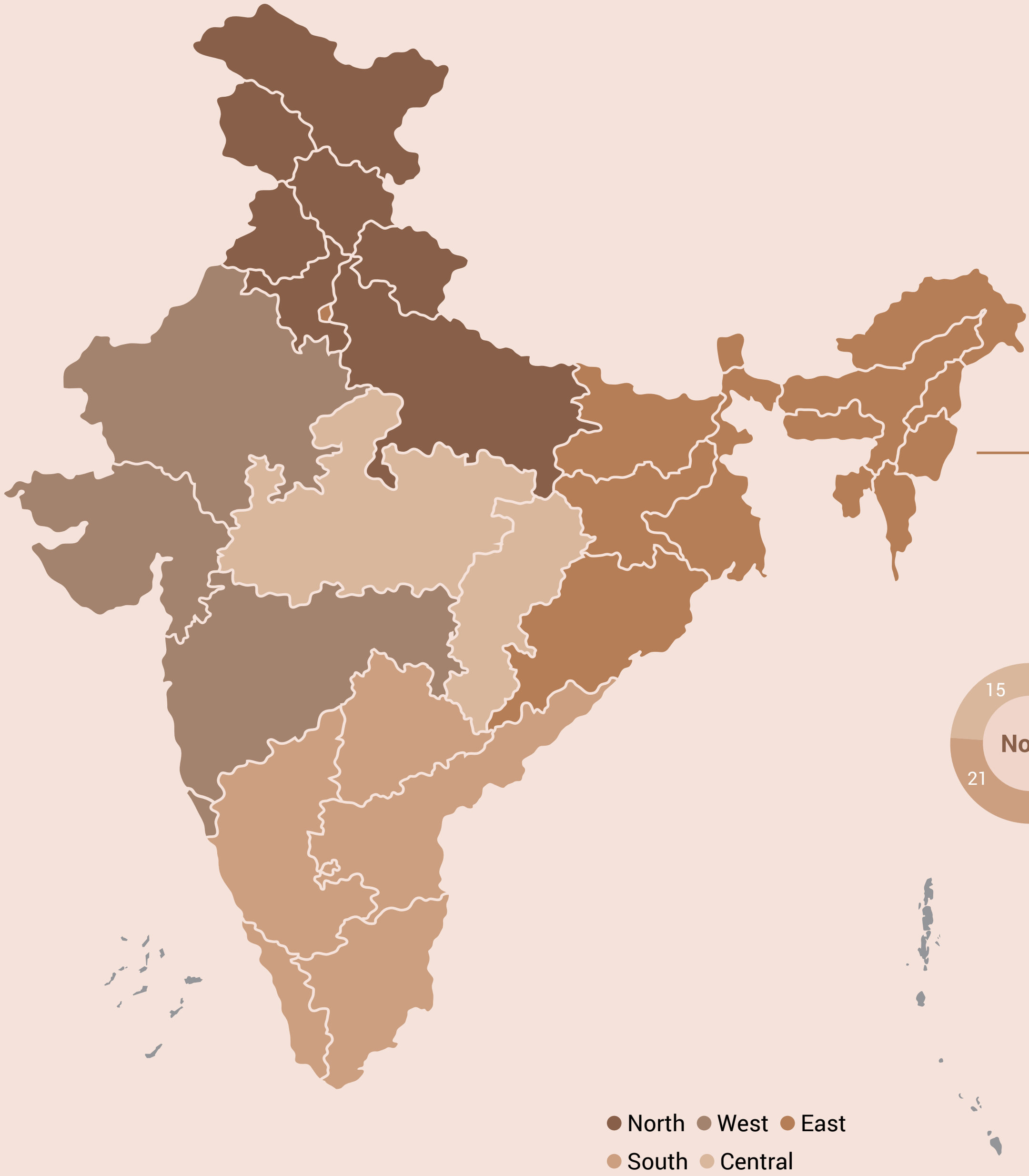
EXPANDING REACH. STRENGTHENING PRESENCE.

India's style narrative is far from uniform. It shifts with each city, street, season, and individual. MUFTI's nationwide presence reflects this diversity with purpose. From premium malls to high streets and emerging retail markets, the brand continues to meet consumers where ambition grows and self-expression takes shape.

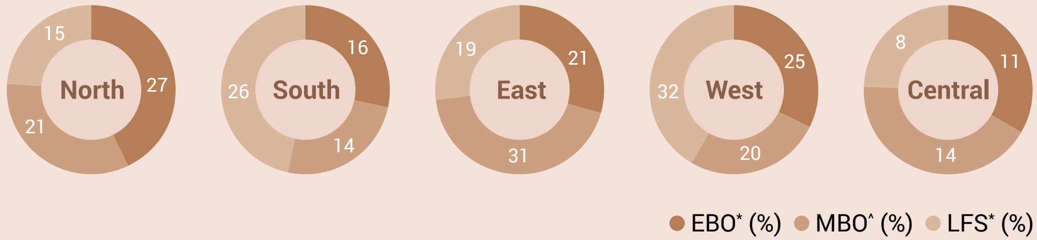
429
No. of EBOs

1,336
No. of MBOs

148
No. of LFS



India Wears MUFTI



*EBOs and LFS count is as of March 31, 2026
^Management Estimate

Disclaimer: This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its Directors, officers or employees cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection with its accuracy or completeness.

Product Portfolio

DESIGNING EXPRESSION. DEFINING STYLE.

MUFTI's reinvented merchandise architecture is built around four lifestyle choices: Authentic, Relaxed, Urban, and Athleisure. Together, they extend the brand seamlessly across contexts, from everyday ease and travel to elevated evenings, balancing comfort with confident expression. Today, the modern Indian man dresses by context, not category, guided by mood, movement, and the moment he steps into.

At the core of this portfolio is a balanced product mix spanning topwear, bottomwear, and outerwear. Shirts and T-shirts continue to embody the brand's expressive design language, while jeans, trousers, cargos, joggers and outerwear complete the 360-degree lifestyle wardrobe. Every product is unified by a consistent design philosophy: creative, bold, and expressive, that has evolved over time.

Where expression finds structure

MUFTI's shirts blend creative design, contemporary silhouettes, and elevated fabrics. Designed for versatility, they move seamlessly from everyday casuals to expressive party-wear, remaining one of the brand's strongest expressions of style.

Each shirt is crafted with detail and distinction. Whether it is refined patterns, sharper fits, richer textures, or bolder treatments, the category reflects MUFTI's ability to elevate everyday dressing into something more personal. Versatile yet distinctive, it carries a clear sense of premium in its new direction.

The anchor of the wardrobe

MUFTI's bottomwear range brings strength and versatility to the portfolio. Spanning jeans, trousers, cargos and joggers, it is designed to support multiple contexts across daily, holiday, and urban occasions.

The category prioritises comfort, fit, and premium quality. Through refined silhouettes and thoughtful construction, each piece is crafted to move effortlessly with the consumer's lifestyle, while preserving the sharp, evolving design language that defines MUFTI.

Ease with attitude

MUFTI's T-shirts are created using fine fabrics for men who want comfort without compromising on character. The collection combines expressive colour palettes, refined fits, and design treatments that move across relaxed holiday casuals, everyday wear, and athleisure-led lounge moments.

Far from being basic wardrobe staples, these are distinctive essentials with a clear point of view. Each piece is designed to carry individuality with comfort, movement, and effortless style.

Layers that complete the look

MUFTI's outerwear completes the 360-degree lifestyle wardrobe, bringing together jackets, sweaters, and premium layering pieces. Designed with a balance of bold aesthetics and practical design, these styles offer consumers expressive options across shifting settings and seasons.

Far beyond providing warmth, these layers add presence and depth. They refine the overall look, shape the mood, and reflect the elevated universe MUFTI continues to build through MUFTI 2.0.

Message from the Management

CHAIRMAN'S MESSAGE

A more elevated MUFTI, purposefully positioned for India's premiumisation journey ahead.

Dear Shareholders,

A year ago, I wrote to you about the brand we were building toward: a MUFTI more elevated in experience, bolder in identity, and deliberately positioned for the decade of Indian premiumisation that lies ahead. I shared the specific shape that investment would take: flagship stores in premium locations, an intensified digital and marketing presence, and a comprehensive reinvention of how MUFTI shows up for the modern Indian man. The goal was singular: to rekindle demand for the brand and position MUFTI firmly in the premium segment of Indian menswear. Each of those commitments was honoured through the year.

2025-26 was a year of disciplined execution and deliberate investment. We advanced our MUFTI 2.0 transformation-opening new-identity stores in premium locations, reinvesting into brand storytelling at scale, and raising the quality of our retail network - while sustaining healthy gross margins, strong operating cash flows, and a balance sheet entirely free of financial debt. The investments made were funded wholly from internal accruals, a reflection of the financial strength from which we operate.

The Environment We Operated in

India's macroeconomic policy through 2025-26 moved in directions that matter for a brand like ours. Income tax relief for individuals earning up to ₹12 lakh and GST rationalisation across product categories are measures designed to release purchasing power into the hands of the Indian middle class. GDP growth remained resilient through the year. These are the structural conditions that build category demand over time, and we are encouraged by the direction of policy even where its full effect on consumer spending has yet to materialise.

Consumer sentiment in discretionary fashion remained cautious through much of 2025-26. Footfalls were lower, the festive quarter fell short of expectations across the industry, and a temporary sourcing disruption from Bangladesh delayed product availability in the H1 2025-26. These are the realities we operated in. What we do believe is that they are cyclical, not structural. The long-term direction of the Indian menswear market has not changed.

Looking ahead, due to geopolitical uncertainty resulting in rising inflation and input costs, has added complexity to how we plan ahead. We have navigated such cycles before and our supplier relationships, built over years of reliable partnerships, give us the footing to do so again.

Delivering on MUFTI 2.0

Last year, we set out the architecture of MUFTI 2.0, the brand's comprehensive transformation anchored on three pillars: Reinventing the Store, Redefining the Brand Experience, and Reigniting the Spark. 2025-26 was the year of transition and disciplined execution.

The Stores

During 2025-26, we opened 34 stores, while closing 46 stores as part of our ongoing effort to improve the quality and productivity of the network. The emphasis was on the quality of the network, not its count. Early signs from the new-format stores have been encouraging. The renovated stores under the new identity are providing a more immersive and elevated customer experience, with positive feedback from consumers. While the transformation is still in its early stages, these initial indicators strengthen our confidence that investments in premiumisation and experience will support future growth.

By the close of 2025-26, 28 stores (including 14 renovated stores) carried the new MUFTI identity, across premium retail corridors including Phoenix Palladium in Lower Parel, Sky City Mall in Borivali, Acropolis Mall, Lulu Mall Bengaluru and Kochi, and Inorbit Mall Hubli. They are a bit larger, more immersive, and designed to let the brand speak for itself the moment a consumer walks in. Not through signage or a logo on the wall, but through the environment itself.

The consumer and trade response has been encouraging. The direction is confirmed, and we are continuing to extend the new identity through 2026-27.

The Merchandise

MUFTI has always carried a design point of view that is genuinely its own. We were built on a belief that clothing should express character and that belief has not shifted. Our reinvented merchandise architecture gives clearer shape to that orientation across four occasions in the consumer's life: Authentic for daily casual dressing, Relaxed for holiday and leisure, Urban for smart-casual and evening settings, and Athleisure for comfort-led dressing. These are not product categories. They are the moments of a man's life that MUFTI is designed to accompany.

We elevated fabric quality, refined silhouettes, and brought greater coherence to our seasonal collections so that the brand can earn a larger share of the consumer's wardrobe. This is not premiumisation by price, it is premiumisation by depth of experience.

The Storytelling

The store work and the product work need to be supported by stronger brand communication. That is where our third area of investment was focused. In 2025-26, advertising and branding investment reached approximately 5-6% of revenues, deployed across digital campaigns, influencer collaborations, and content that communicates what MUFTI is becoming. This is an investment in salience and aspiration that will drive long-term demand. Building brand recall and consumer perception is a gradual process, and we are making these investments with a clear understanding that the benefits will accrue over time.

The early returns on this investment are visible. Own website revenue grew ~74% year-on-year in 2025-26. Our Muftisphere loyalty platform has grown its customer database to over 3 million customers. The consumer increasingly moves between digital discovery and in-store purchase, and between in-store encounter and online follow-through. We are investing on both sides of that journey for building a MUFTI universe that is omnichannel, consistent and compelling wherever the consumer encounters it.

Financial Performance

2025-26 delivered what we said it would: a year of deliberate investment, absorbed from a position of genuine financial strength. Gross profit margin remains stable at 58.4%, against 57.2% in the prior year. In Q3, GST reforms changed the applicable tax rate on garments below ₹ 2,500. We chose to pass on those savings to consumers rather than retain them to protect consumer trust and sales volumes. Revenue from operations for 2025-26 stood at ₹ 592.1 crore and EBITDA stood at ₹ 154.2 crore, with a margin of 26.0%. The lower margin from the prior year reflects the deliberate increase in advertising, branding, and premium location costs, each of which is an investment in the brand's future.

PAT for the year stood at ₹ 47.4 crore. The balance sheet carries no financial debt. Operating cash flow for the year was ₹ 132.4 crore, confirming that the model remains self-funding through the cycle. Returns on capital have historically been healthy in the years preceding this investment phase - and we expect to achieve it as the MUFTI 2.0 transformation matures. Revenue per square foot remained broadly consistent despite a challenging demand environment, reflecting the underlying productivity and strength of our retail network. Underpinning all of this is continued investment in data and technology: sharper micro-merchandising through better data, and practical use of AI across design, content, and marketing.

What We Are Building towards

The Indian menswear market was valued at approximately USD 21.9 billion in 2025 and is projected to reach USD 42.4 billion by 2034, growing at approximately 7.2% annually (Source: IMARC Group, 2025). While the mid-premium and premium menswear segments are currently facing near-term headwinds due to cautious discretionary spending, the long-term opportunity remains intact as the Indian man's appetite for brand experience, quality, and self-expression deepens alongside his income and aspirations. This is the precise direction in which MUFTI has been moving for years.

We are positioned for this moment from a place of genuine structural strength. Close to three decades of brand building. A customer community of over 3 million. A pan-India network spanning more than 1,900 retail touchpoints across 583 cities. An asset-light model, no manufacturing fixed costs, no financial debt, gross margins that have held above 57% through cycles of market pressure. We are committed to building an enduring brand, one that grows through relevance, aspiration, and consumer trust, while creating sustainable value for all stakeholders.

As awareness of MUFTI 2.0 deepens - as consumers walk into the new stores, encounter the elevated merchandise, and engage with the brand storytelling being built across platforms - the investments of 2025-26 and 2026-27 are positioned to generate returns over the medium term. We have guided that these benefits are expected to begin

Own website revenue grew approximately 74% year-on-year in 2025-26. Our Muftisphere loyalty platform has grown its customer database to over 3 million customers.

materialising in the next two to three years, as brand-building spends stabilise and the new store network reaches maturity. We are on track against that plan.

In 2026-27, we will continue opening stores under the new MUFTI identity in premium locations, scale our advertising and branding investment further, and deepen the consumer's relationship with a MUFTI that is well curated, more elevated and more consistently present.
The strategic direction remains clear. What we are building is not a response to the market. It is a conviction about where the market is going and what MUFTI needs to be when it gets there.

The Team and the Partners

The most important work is often the work that does not announce itself. Building a brand, deepening a network, earning a consumer's loyalty season after season: these are the outcomes of consistent effort. 2025-26 was that kind of year for MUFTI, and we are proud of how this organisation met it.

To the teams across design, merchandising, retail operations, marketing, supply chain, finance, and every function in between: the transformation taking shape is yours as much as it is anyone's. It was built in detail: in every store opened, every collection refined, every customer retained, every supply disruption managed.

Our franchise partners and trade partners continued to extend trust through a challenging year. MUFTI has never had a material write-off from trade receivables across its history. This is a testament to the quality of these relationships and the care with which they have been maintained over decades. Our manufacturing partners, many of whom have worked alongside us for many years, continue to provide the flexibility and consistency our model depends on.

We believe the long-term benefits of our premiumisation initiatives should begin to emerge over the next two to three years, as the various investments we are making across the business continue to mature.

And to our customers, the men who choose MUFTI as part of how they express themselves, who come back season after season because the brand speaks something genuine about who they are: the stores being built are for you. MUFTI has always been for the man who prefers to express rather than conform. That has not changed. What is changing is the quality of the stage on which that expression happens, and our ambition for what it can become.

To our shareholders: the brand is evolving with purpose, the model is financially sound, and the direction is clear. We remain committed to building long-term value with the discipline and patience this journey requires. We are grateful for your continued trust.

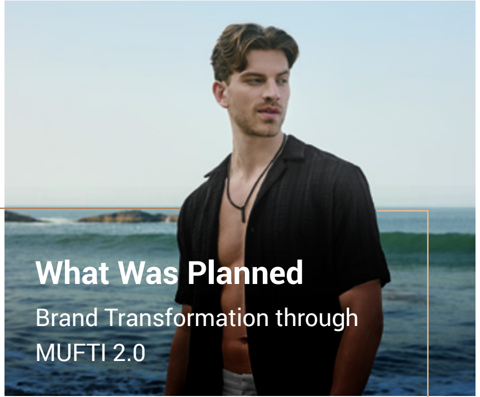
Warm regards,

Kamal Khushlani
Chairman and Managing Director

Planned → Delivered

A PLAN TO BUILD FORWARD.

Plans derive their value from execution, and in 2025-26, MUFTI moved decisively from intent to execution. The brand's transformation took tangible shape across its most defining touchpoints: product, stores, storytelling, digital presence, and operational discipline. Anchored in MUFTI 2.0, each step reflected a clear purpose: to reimagine the brand experience, premiumise its presence, and deepen consumer connection.



What Was Planned
Brand Transformation through MUFTI 2.0

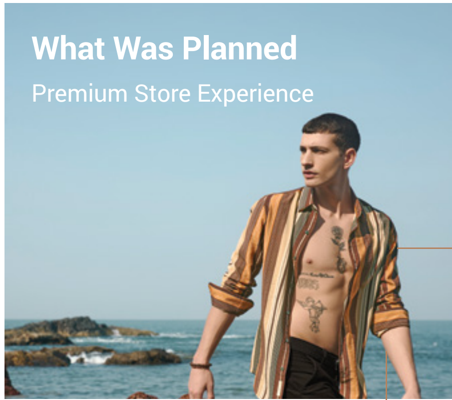
What Was Delivered
Launched MUFTI 2.0, a sharper expression of the brand's 28-year journey. Built around three priorities: immersive retail experiences, reinvented merchandise architecture, and stronger brand storytelling, the transformation elevates MUFTI's identity while remaining true to its core.

What Was Planned
Strategic Store Additions

What Was Delivered
Expanded the network with new identity stores across premium malls and high streets, prioritising network quality over scale. The Company exited underperforming outlets and redirected resources towards high-visibility, high-footfall destinations that strengthen MUFTI's premium presence. The expansion was further funded through internal accruals.

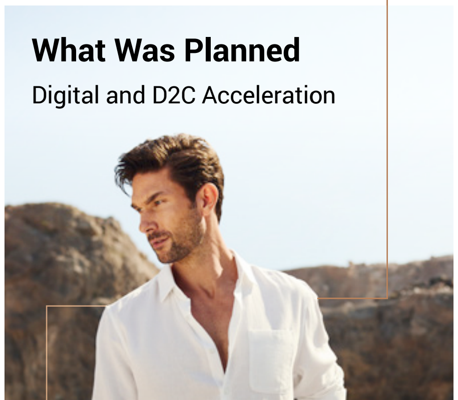
What Was Planned
Financial Discipline

What Was Delivered
Maintained a debt-free position through the transition, reflecting disciplined capital allocation and a measured approach to growth.



What Was Planned
Premium Store Experience

What Was Delivered
Continued the rollout of a refined minimalist retail identity to deliver a more immersive and aspirational shopping experience for the modern Indian man.



What Was Planned
Digital and D2C Acceleration

What Was Delivered
Achieved ~74% YoY growth in website-led sales, supported by sharper campaigns across Google and Meta. At the same time, the D2C channel strengthened its role as both a sales engine and a storytelling platform, enhancing engagement with digitally native, style-conscious consumers while improving full-season visibility.

Financial Overview

BUILDING PERFORMANCE. SUSTAINING GROWTH.

2025-26 marked a year of deliberate transition for MUFTI.

The Company navigated a cautious consumer environment while prioritising retail quality over scale. As a result, while revenue reflected network rationalisation, gross margins remained stable, supported by a sharper product mix and elevated merchandise.

Profitability, however, was impacted by planned investments under MUFTI 2.0, including premium retail identity, brand communication and advertising. Rising operational costs, supply chain disruptions in Bangladesh, and the Company's absorption of increased GST rates during the year also weighed on performance. Despite these strategic choices and external pressures, MUFTI remained focused on enhancing the consumer experience and strengthening its premium brand presence.

The Company funded this transformation through internal accruals while maintaining a debt-free position. Accordingly, 2025-26 was not only a year of performance, but one of laying the foundation for MUFTI's next chapter.

Revenue from Operations (₹ million)

2025-26	5,921
2024-25	6,182
2023-24	5,673
2022-23	4,982
2021-22	3,412

Gross Profit (₹ million)

2025-26	3,455
2024-25	3,539
2023-24	3,261
2022-23	2,862
2021-22	1,941

Gross Profit Margin (in %)

2025-26	58.4
2024-25	57.2
2023-24	57.5
2022-23	57.5
2021-22	56.9

EBITDA (₹ million)

2025-26	**1,542**
2024-25	1,798
2023-24	1,605
2022-23	1,639
2021-22	951

EBITDA Margin (in %)

2025-26	**26.0**
2024-25	29.1
2023-24	28.3
2022-23	32.9
2021-22	27.9

PAT (₹ million)

2025-26	**474**
2024-25	684
2023-24	592
2022-23	775
2021-22	357

PAT Margin (in %)

2025-26	**8.0**
2024-25	11.1
2023-24	10.4
2022-23	15.6
2021-22	10.5

Avg. Cost of Capex per EBO (₹ million)

2025-26	**4.33**
2024-25	3.01
2023-24	2.81
2022-23	2.85
2021-22	2.56

Avg. Revenue per EBO (₹ million)

2025-26	**7.52**
2024-25	7.80
2023-24	7.48
2022-23	7.58
2021-22	5.51

Avg. Revenue per Product Sold (₹)

2025-26	**1,323**
2024-25	1,301
2023-24	1,285
2022-23	1,348
2021-22	1,208

Avg. Ticket Value per Bill for EBOs (₹)

2025-26	**5,232**
2024-25	5,294
2023-24	4,292
2022-23	4,157
2021-22	3,442

Business Model

BEYOND THE RATIOS: UNDERSTANDING MUFTI'S STRATEGIC ADVANTAGE IN RETAIL

Credo Brands Marketing Limited ('Credo' or 'The Company'), known for its flagship brand MUFTI, operates in a manner that is fundamentally distinct from many other players in the Indian apparel retail space. While certain headline financial ratios – such as inventory days, receivable days, or payable days – may, at first glance, appear different from the industry averages, these metrics reflect deliberate strategic choices that have consistently delivered long-term benefits to the Company, its partners, and ultimately, its shareholders.

An informed assessment of our business model requires a deeper understanding of why these numbers differ, how they work to our advantage, and why they should not be interpreted using conventional retail benchmarks alone.

A Multi-Channel, Flexible Distribution Model

Credo operates a diversified channel mix, which gives it a unique edge over pure-play retailers. Our sales are distributed across:

- **Multi-Brand Outlets:** Partnering with a wide network of MBOs allows us to leverage their reach and localised customer base without committing large amounts of capital to store infrastructure.
- **Large Format Stores:** Partnerships with national chains such as Shoppers Stop, Lifestyle, and others allow MUFTI to reach premium customers in high-footfall destinations.
- **Exclusive Brand Outlets:**

Franchisee-Owned, Franchisee-Operated (FOFO) stores	Company-Owned, Company-Operated (COCO) stores	Company-Owned, Franchisee-Operated (COFO) stores	Franchisee-Owned on Margin Model stores, where inventory risk remains with **Credo**

- This diversified presence ensures that we cater to multiple customer segments, geographies, and price points, while maintaining the agility to respond to changing market dynamics.

Inventory Days: Why Higher is Not a Negative

In traditional retail analysis, higher inventory days can signal slow-moving stock or inefficiency in inventory management. However, for Credo Brands, this metric reflects a strategic advantage.

Risk-free Supply to Partners

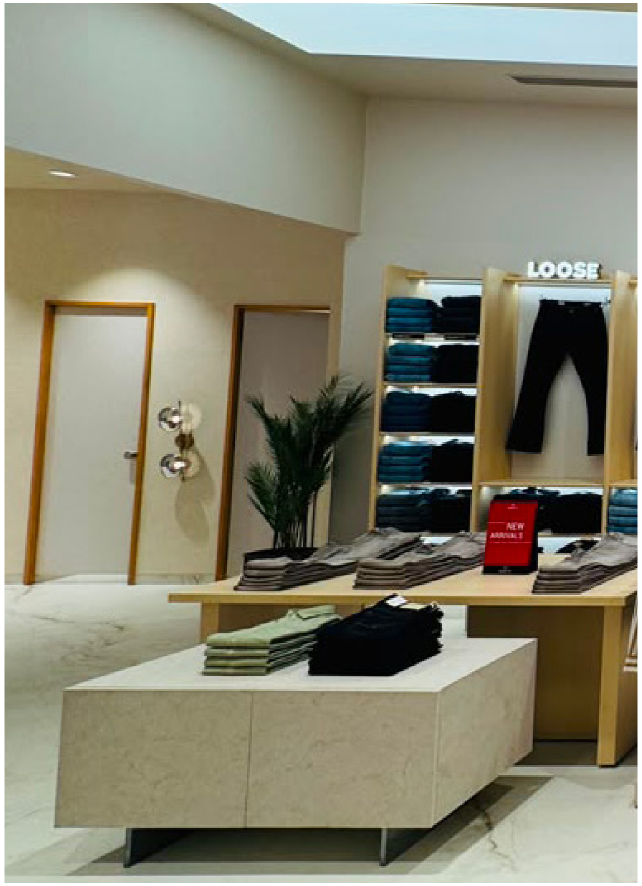
We supply goods to our franchisees, MBO partners, and certain LFS partners on a risk-free basis, meaning:

At the end of each season, unsold merchandise is taken back by Credo	We possess the capability and expertise to liquidate returned stock profitably	This is evidenced by a consistent track record: we have never incurred any material loss on account of inventory write-downs

Fresh Merchandise at the Point of Sale

Because slow-moving stock is removed at season-end, every store - whether EBO, MBO, or LFS - showcases fresh, seasonally relevant merchandise. This ensures:

Higher sell-through rates	Stronger brand perception, as customers do not encounter outdated products	Repeat footfall driven by the expectation of newness



Comparison with Industry

MUFTI's business model stands apart from both other multi-channel apparel brands and pure retail players. Among multi-channel players, many do not take back unsold inventory from their channel partners. In such cases, inventory risk sits with the partner, and the brand's reported inventory appears lower. MUFTI, in contrast, assumes full responsibility for end-of-season unsold goods, enabling us to maintain complete control over our inventory and brand presentation. This allows us to refresh merchandise every season across all points of sale and still liquidate returned stock profitably, as evidenced by our track record of no material write-offs.

Pure retail players operate through their own stores only, with no third-party or department store sales. Their inventory appears lower because they plan production for their owned network and rotate stock at shorter intervals. In a multi-channel environment like ours, especially with a take-back commitment, such rapid replenishment is impractical. Despite this, our model secures stronger partner loyalty, fresher assortments, and consistently profitable inventory management.

Receivable Days – Strategic Nature of Higher Figures

Higher receivable days are often perceived as a sign of weak collections or excessive credit risk. In Credo's case, however, this perception is misleading.

Built-in Partner Security

- **Franchisees:** All inventory supplied is backed by security deposits collected in advance.
- **MBO and Distributor Partners:** These relationships are long-standing, in most cases spanning over one and a half to two decades.
- **Track Record:** We have never had any material bad debt write-offs, demonstrating the robustness of our credit management.

Partner Margin Structure

Because Credo's assumes the inventory risk (via the take-back arrangement), our partners are willing to operate at reasonable margins. This margin structure benefits us financially, even though the receivable cycle may appear longer than that of industry peers.

Receivables Days in Context

For many fashion retailers, short receivable cycles come at the cost of passing greater risk to partners, which can strain relationships and limit brand reach. Our approach ensures stronger, more loyal channel partners who can focus on growing sales rather than managing unsold stock risks.

Payable Days: Strategic Choice for Lower Figures

Credo's maintains significantly lower payable days compared to industry norms.

Early Payments to Vendors

We make timely, cash-based payments to suppliers and manufacturing partners. This practice ensures:

Preferential Pricing: Vendors reward our prompt payments with better rates, improving our gross margins.

Timely Supplies: We receive priority in production slots and delivery schedules, ensuring we meet market demand quickly.

Stronger Relationships: Years of dependable transactions have strengthened our supplier partnerships.

A Deliberate Position

While longer payable cycles may improve working capital ratios on paper, they can strain supplier relationships and lead to cost escalations. We believe our approach supports sustainable, quality growth.

The Strategic Benefits of Our Model

Our business model offers multiple advantages that do not show up directly in headline financial ratios:

- **No Material Write-Offs:** Strong inventory liquidation capabilities.
- **Brand Freshness:** Consistently updated product lines at the point of sale.
- **Partner Loyalty:** Risk-free supply fosters trust and long-term alignment.
- **Better Profitability:** Ability to negotiate reasonable terms with partners and vendors.
- **Operational Agility:** Multi-channel structure allows for rapid response to consumer trends.

Self-funded Growth, Sustainable Ambitions

MUFTI has charted its growth journey entirely through internal accruals, without taking on debt or relying on external equity infusion. Every investment, whether in innovative design, premium retail transformation, or supply chain upgrades, has been funded from the Company's own operating cash flows.

Our healthy margins, disciplined cost structure, and consistent profitability have enabled this self-reliant approach. The result is a debt-free balance sheet that provides:

- Independence from external financing when scaling operations.
- Financial resilience, allowing us to invest through market cycles without strain.
- Strategic flexibility to adapt quickly to evolving consumer trends and retail formats.

By growing on the strength of our own resources, MUFTI has built not just a brand, but a business model that is sustainable, agile, and fully in control of its destiny.

Why Our Metrics Should be Interpreted Differently

In summary, the financial ratios for Credo Brands must be read in the context of our unique risk allocation model:

- Higher Inventory Days: Reflect inventory retained at the Company level due to our commitment to take back unsold stock, a strategic choice that enhances brand equity and sell-through.
- Higher Receivable Days: Represent long-standing, secure partnerships with robust safeguards, not elevated credit risk.
- Lower Payable Days: Reflect a deliberate decision to leverage cash flow strength to secure better terms from suppliers.

When compared directly to peers without adjusting for these structural differences, the numbers may appear unconventional. However, in practice, they underpin a model that has proven both resilient and profitable over time.

Looking Ahead

As we continue to expand our presence across channels, our core principles remain unchanged:

- Maintain fresh, relevant merchandise at every customer touchpoint.
- Support channel partners by absorbing inventory risk.
- Strengthen vendor relationships through prompt payment practices.
- Deliver consistent profitability without compromising on brand value.

We believe that this differentiated approach - rooted in strong partnerships, prudent risk management, and disciplined execution - will continue to create shareholder value in the years ahead.

Metric	Typical Interpretation	Correct Interpretation for Credo Brands
Inventory Days	High inventory days suggest slow-moving stock, inefficient inventory management, and risk of markdowns/write-offs.	Higher inventory days are a result of our risk-free supply model to channel partners. We take back unsold stock at season-end and liquidate it profitably, with no material write-offs in our history. This ensures fresh merchandise at all retail touchpoints, enhancing brand appeal and sell-through.
Receivable Days	High receivable days imply longer credit cycles, higher working capital requirements, and greater risk of bad debts.	Higher receivable days reflect secure, long-term partnerships with franchisees, MBOs, and LFS partners. All franchisee stock is backed by security deposits, and MBO/distributor relationships span years with no material bad debt losses. Margins are structured to our advantage because partners operate at reasonable margins in exchange for risk-free supply.
Payable Days	Low payable days may suggest poor supplier credit terms or weaker negotiation leverage.	We intentionally keep payable days low because we pay suppliers promptly, often in cash, to secure better prices, priority production slots, and timely deliveries. This strengthens vendor relationships and ensuring consistent quality and availability.
Channel Mix	Heavy dependence on one channel can limit reach or increase operational risk.	Our multi-channel strategy spanning MBOs, LFS, and multiple EBO formats (FOFO, COCO, and margin models) diversifies risk, maximises market coverage, and allows rapid adaptation to shifting consumer demand.
Risk Allocation	In most retail models, inventory and markdown risk lies with the store operator, reducing corporate-level inventory days but burdening partners.	Credo Brands retains inventory risk deliberately, because our operational strength and brand demand allow profitable liquidation. This strengthens partner relationships, supports store profitability, and maintains our premium brand positioning.
Working Capital Profile	Higher inventory and receivable days can be perceived as inefficient working capital management.	Our working capital structure is a deliberate strategic choice. We use our balance sheet strength to absorb partner risk, lock in favourable pricing, and ensure product freshness, driving long-term profitability and market share growth.

Built the MUFTI Way

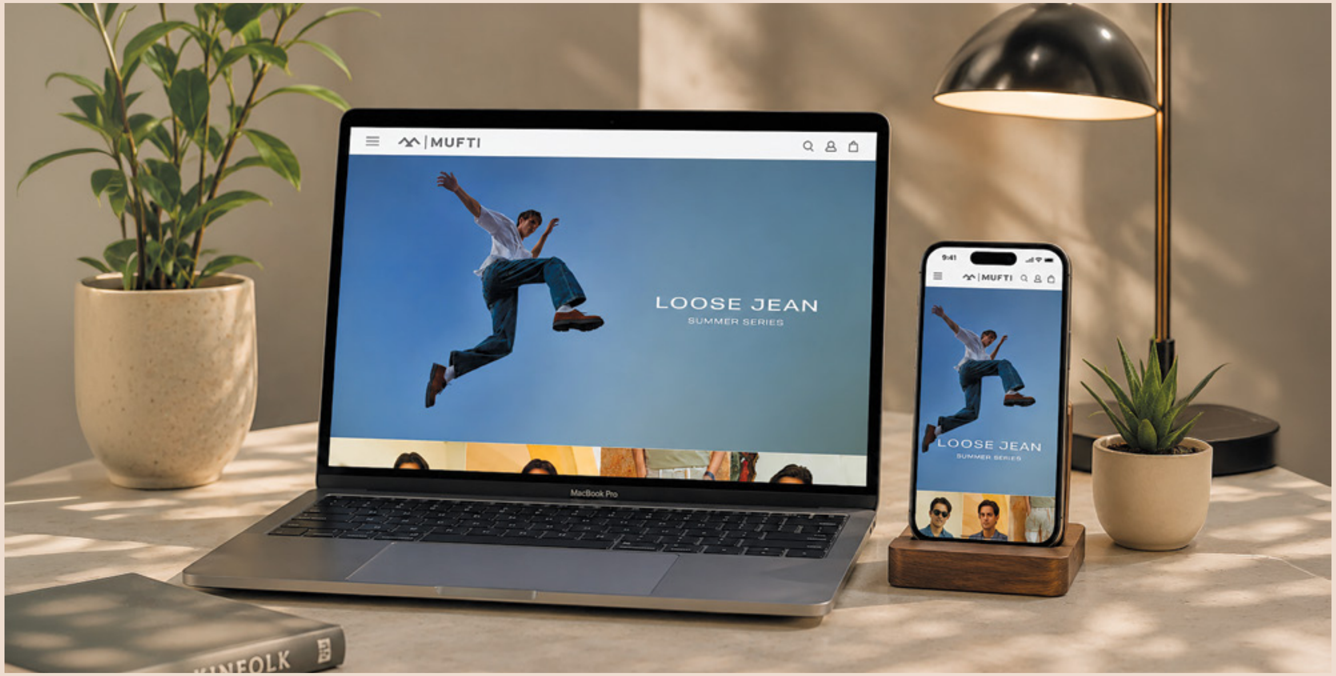
Capitals	Inputs	Value Creation Process	Outcomes
Financial	› Net Worth: ₹ **4,386.00 million** › Equity Capital: ₹ **130.74 million** › Reserves: ₹ **4,255.26 million**	**Mission** To design and deliver premium, expressive menswear that reflects individuality. To create immersive retail experiences; and to build MUFTI as the fashion house of a Modern India.	› Achieved revenue of: ₹ **5,921million** › Delivered EBITDA of: ₹ **1,542 million** › Recorded PAT of: ₹ **474 million**
Service Capital	› Number of Strategic Manufacturing Partners: **50+** › Third-Party Test and In-house Quality Checks for Each Style › Number of EBOs: **429**[*] › Number of LFS: **148**[*] › Number of MBOs: **1,336**[^] › Online Platforms: **5**		› Enhanced production scalability › Improved product consistency and lower return rates › Reduced inventory holding period › Expanded market reach and consumer accessibility through a strong omnichannel presence › Enhanced brand loyalty
Intellectual Capital	› Investment in Design Teams, Trend Analytics Tools: ₹ **31.9 million** › Number of In-House Designers: **15**	**Vision** To be India's most sought-after menswear brand, inspiring confidence and expression through premium style that is globally relevant.	› Developed over **1,400** new styles in 2025-26 › Achieved a consumer repeat purchase rate of **44%**
Natural Capital	› Use of Renewable Energy in Warehouse › Use of Paper Carry Bags › Orders Shipped Using Sustainable Packaging Materials		› Reduced carbon footprint › Realised long-term energy cost savings › Strengthened consumer perception › Reduced inventory-related waste
Human Capital	› Permanent Workforce: **245** › Training Hours: **3,434** › Customer Experience and Skill Development Training: **Over 2,944 hours** › Employee Engagement Initiatives: **5 events**	**Ethos** Rooted in Mumbai's free spirit, MUFTI believes in individuality over conformity, blending craft and creativity to curate expressions of style that empower men to stand apart.	› Fostered a highly motivated workforce › Improved employee productivity › Future-ready leadership › Reduced attrition
Social and Relationship Capital	› CSR Expenditure: ₹ **18.60 million** › CSR Themes: **Promoting Health Care, Including Preventive Health Care**		› Lives Impacted: **Over 1 lakh**

As of March 31, 2026
^*Management Estimate*

Technology

POWERING CONNECTIONS. ELEVATING EXPERIENCES.

The most compelling retail experiences feel effortless, yet they are powered by a continuous exchange of information across stores, channels, and consumer touchpoints. At MUFTI, digital capabilities quietly unify these interactions, ensuring consistency and coherence across the ecosystem. Working seamlessly in the background, they enhance inventory visibility, strengthen consumer engagement, and enable a more connected omnichannel experience.



Engine behind the Experience

As MUFTI advances its transformation journey, its digital backbone continues to support inventory management, retail operations, order tracking, and supply chain visibility across the network. By connecting information across stores, warehouses, and digital platforms, the Company responds more effectively to shifting demand patterns while delivering a more consistent omnichannel experience.

Real-time visibility enables efficient stock movement, replenishment, and inventory allocation, ensuring products remain available where consumers need them most. Together, these capabilities create a more connected operating model that supports both operational efficiency and customer experience.

These capabilities help MUFTI to

- Enhance product availability across its retail network
- Accelerate inventory movement and replenishment
- Deliver seamless fulfilment across online and offline channels
- Respond more effectively to evolving consumer demand
- Create a connected omnichannel experience

Seamless Inventory. Superior Experience.

In fashion retail, responsiveness is essential. As consumer preferences evolve, trends move rapidly, and product availability remains critical to the shopping experience. MUFTI's integrated inventory systems enable healthy stock levels across the retail network while improving visibility and fulfilment capabilities.

Powered by real-time analytics and connected platforms, the Company facilitates inventory movement across locations, supports faster replenishment, and maintains the availability of key merchandise. As a result, it strengthens operational efficiency while delivering a more consistent consumer experience.

Digital-first Thinking. Brand-led Execution.

Technology continues to reshape how consumers discover and engage with the brand. In response, MUFTI is strengthening its digital presence to deliver more connected and meaningful consumer experiences.

Strategic collaborations with Google and Meta have enhanced digital marketing, scaled content creation, and elevated brand storytelling across platforms. These initiatives support improved brand discovery and engagement across both online and offline channels, strengthening MUFTI's omnichannel strategy.

At the centre of this ecosystem is muftijeans.in, extending the MUFTI experience beyond physical stores. Supported by leading online marketplaces and the Company's loyalty platform, ***Muftisphere,*** it enables personalised communication, stronger engagement, and convenient access to the brand

As consumer journeys become increasingly channel-agnostic, digital capabilities remain central to creating meaningful interactions, stronger connections, and a seamless MUFTI experience.

Branding Initiatives

DRIVING VISIBILITY. BUILDING RELEVANCE.

A brand is never shaped by a single campaign but by a continuum of moments that collectively define its presence. It lives in store windows, in everyday conversations, and in the quiet confidence with which people wear it. Over time, these fragments converge to build meaning, memory, and relevance.

In 2025-26, MUFTI acted on this conviction. Every investment in the brand, from store design and digital initiatives to storytelling, was made with a long-term vision. The objective extended beyond building awareness to fostering a deeper sense of belonging that inspires consumers not only to return but also to identify with the brand.

Accordingly, these were not advertising spends. They were brand-building investments aimed at sharpening MUFTI's identity, strengthening its voice and deepening consumer connections.

Brand Storytelling

During the year, MUFTI strengthened its emotional connect with customers through focused brand storytelling initiatives. Its content, campaigns, and communication efforts went beyond showcasing collections, to reflect the attitudes, aspirations, and individuality that define the brand. In doing so, the Company deepened its appeal among consumers seeking contemporary fashion choices and authentic self-expression.

Digital Integration

During the year, MUFTI strengthened its digital marketing initiatives through strategic collaborations with Google and Meta. By leveraging targeted, data-driven campaigns based on location, demographics, interests, and behaviour, the Company enhanced engagement with younger, digitally native audiences. These efforts, supported by stronger content and improved digital engagement, contributed to ~74% year-on-year growth in website-led sales during 2025-26.

Omnichannel Engagement

MUFTI further strengthened the integration of its online and offline channels during the year. Its digital push supported an omnichannel retail strategy by linking online discovery with offline conversion. At the same time, the Company extended its brand-building efforts across stores, marketplaces, social media platforms, and digital channels. Together, these initiatives delivered a more connected consumer journey and a consistent brand experience across touchpoints.

Exclusive Brand Outlets

MUFTI's exclusive brand outlets remained one of the Company's strongest branding platforms. Through its premium flagship stores and an evolving retail identity, the Company enhanced brand visibility while creating immersive environments aligned with the aspirations of today's consumers.

Every touchpoint, from storefront design and visual merchandising to in-store experience, was curated to communicate the evolving MUFTI narrative and reinforce its premium positioning.

Muftisphere, MUFTI's proprietary loyalty programme, connects the brand with over 3 million registered customers. More than a database, it serves as a direct consumer intelligence asset, enabling personalised engagement, trend-responsive design, and targeted omnichannel interactions across the consumer journey with greater clarity.

ESG

FASHIONING A SUSTAINABLE FUTURE

At MUFTI, sustainability is a guiding philosophy that influences every stage of the business: from design and sourcing to delivery and customer experience. Rooted in the belief that the well-being of people and the planet go hand in hand, MUFTI's Environmental, Social and Governance (ESG) approach reflects its commitment to creating sustainable long-term value. Through thoughtful choices, responsible practices and a leadership team committed to continuous improvement, the Company continues its journey towards building a more responsible future for fashion.

Minimising Environmental Impact

MUFTI's approach to environmental stewardship begins with responsible resource management. The Company follows a first-in, first-out methodology for raw materials, helping minimise waste while ensuring efficient utilisation of resources. Selected garments are roll-packed to reduce the use of single-use plastics, while shipments are optimised through local store fulfilment to lower the overall carbon footprint. Inventory of trims is carefully monitored and managed, reinforcing a culture of efficiency and mindful consumption across the design and merchandising functions.

Sustainability also extends to MUFTI's infrastructure. The Company's warehouse, spanning over 142,700 square feet, is powered entirely by energy generated through solar panels installed within the complex. Designed to maximise natural light and cross ventilation, the facility reduces dependence on non-renewable energy, including through efficient airflow for exhaust systems. Motion-sensor lighting, effective use of daylight and energy-efficient air-conditioning practices further demonstrate MUFTI's commitment to conserving resources and reducing its environmental impact.

Social Responsibility and Community Engagement

MUFTI's ESG philosophy extends beyond environmental responsibility to creating meaningful social impact. The brand continues to nurture a strong sense of community by building deeper consumer relationships rather than focusing solely on transactions. By leveraging technology to personalise experiences and better understand consumer journeys across digital touchpoints, MUFTI strives to create lasting engagement. Fashion shows, trade events and brand collaborations continue to serve as platforms not only to showcase expressive menswear but also to foster a vibrant, inclusive community around the brand.

Stewards of the Brand

Mr. Kamal Khushlani

Promoter, Chairman and Managing Director

Mr. Kamal Khushlani is a first-generation entrepreneur with over three decades of experience in India's dynamic apparel retail industry. A commerce graduate from the University of Mumbai, he founded MUFTI in 1998 with a vision of transforming men's fashion in India through expressive, design-led apparel that celebrates individuality.

Since its inception, he has been instrumental in building the brand. He continues to drive product development, brand building, and marketing, while overseeing the Company's overall management and strategic direction.

Ms. Poonam Khushlani

Promoter and Whole-Time Director

Ms. Poonam Khushlani is the Promoter and Whole-Time Director of the Company. She has been associated with the Company since its inception as a co-founder. With over 26 years of experience in the apparel retail industry, she oversees the overall management of the Company.

Dr. Manoj Nakra

Non-Executive Director

Dr. Manoj Nakra brings a unique combination of academic excellence and strategic business leadership to the Board. He holds a degree in Mechanical Engineering from IIT Delhi, a Postgraduate Diploma in Management from IIM Bengaluru, and an Executive Doctorate in Management from Case Western Reserve University. He is the co-founder of Zyeal Veloce Private Limited, a SaaS platform company.

Over the course of his career, Dr. Nakra has built deep expertise in retail, entrepreneurship, and the application of technology in business. Previously, he served as Director of Strategy at the Apparel Group, UAE, where he contributed to large-scale retail and distribution strategies. He also serves as an Independent Director at Arvind Fashions Limited and is a visiting faculty member at IIM Bengaluru.

Mr. Amer Jaleel
Independent Director

Mr. Amer Jaleel is a distinguished creative leader and seasoned advertising professional with extensive expertise in brand building and consumer engagement. He holds a Bachelor of Commerce degree from MMK College, University of Mumbai.

Mr. Jaleel served as the Group Chairman and Chief Creative Officer of MullenLowe Lintas Group, where he led the creative direction of some of India's most iconic brands. Following a 21-year tenure with the agency, he co-founded Curativity in 2023, an innovative digital platform focussed on creative marketing. Widely recognised across India's corporate and media ecosystem, he frequently contributes to industry forums. His interests span content creation, music, technology, fashion, and the creative arts.

Mr. Paresh Bambolkar
Independent Director

Mr. Paresh Bambolkar is a finance professional with over three decades of experience in accountancy and corporate advisory. A fellow member of the Institute of Chartered Accountants of India (ICAI), he led his own practice as the proprietor of M/s. P V Bambolkar & Co., Chartered Accountants from 1993 to March 2019.

Mr. Bambolkar currently serves as a Director at Desire 4 India Private Limited, contributing extensive expertise in business governance and financial stewardship.

Ms. Ramona Jogeshwar
Independent Director

Ms. Ramona Jogeshwar brings diverse experience across the business and education sectors. She holds a Master's degree in Management Studies from Somaiya Institute of Management Studies and Research, University of Mumbai.

Ms. Jogeshwar was previously associated with Kangaroo Kids Education Limited. Her multifaceted background enhances the Board's perspective on management, entrepreneurship, and institutional development.

Awards

EARNING RECOGNITION. CELEBRATING EXCELLENCE.

Corporate Information

LEADING VISION. DRIVING GOVERNANCE.

Board of Directors

Mr. Kamal Khushlani
Chairman and Managing Director

Ms. Poonam Khushlani
Whole-Time Director

Dr. Manoj Nakra
Non-Executive Director

Mr. Amer Jaleel
Independent Director

Mr. Paresh Bambolkar
Independent Director

Ms. Ramona Jogeshwar
Independent Director

Chief Financial Officer

Mr. Rasik Mittal

Company Secretary

Mr. Sanjay Kumar Mutha

Statutory Auditor

M S K C and Associates LLP

Banking Partners

Axis Bank Limited

YES Bank Limited

HDFC Bank Limited

Board Committees

Audit Committee

Mr. Paresh Bambolkar,
Chairman

Mr. Amer Jaleel

Dr. Manoj Nakra

Nomination and Remuneration Committee

Mr. Amer Jaleel,
Chairman

Dr. Manoj Nakra

Ms. Ramona Jogeshwar

Stakeholders' Relationship Committee

Dr. Manoj Nakra,
Chairman

Mr. Paresh Bambolkar

Ms. Poonam Khushlani

Corporate Social Responsibility Committee

Mr. Kamal Khushlani,
Chairman

Ms. Ramona Jogeshwar

Ms. Poonam Khushlani

Risk Management Committee

Mr. Kamal Khushlani,
Chairman

Mr. Amer Jaleel

Mr. Rasik Mittal

Registered and Corporate Office

Credo Brands Marketing Limited

CIN: L18101MH1999PLC119669

Regd. Off.: B-8, MIDC Central Road,
Marol, Andheri (E), Mumbai - 400 093

Tel.: +91 22 6141 7200

Corporate: www.credobrands.in

E-commerce Website: www.muftijeans.in

Email: investorrelations@mufti.in

Registrar & Share Transfer Agent

MUFG Intime India Private Limited

(Unit: Credo Brands Marketing Limited)

C-101, Embassy 247, L.B.S. Marg,
Vikhroli (West) Mumbai - 400 083

Tel.: +91 81 0811 8484

Fax: +91 22 6656 8494

Email: Investor.helpdesk@in.mpms.mufg.com

Website: www.in.mpms.mufg.com

Management Discussion and Analysis

Global Economy

In 2025, the global economy demonstrated resilience despite an increasingly complex backdrop of geopolitical disruptions, elevated policy uncertainty, and structural headwinds. According to the IMF's April 2026 World Economic Outlook (WEO), titled Global Economy in the Shadow of War, global growth in 2025 is estimated at 3.4%. However, the near-term outlook weakened following the outbreak of war in the Middle East, which disrupted energy markets, damaged critical infrastructure, and heightened risks of broader supply-chain and financial spillovers. Under the IMF's reference assumption that the conflict remains limited in duration and scope, global growth is projected to slow to 3.1% in 2026 before edging up to 3.2% in 2027. These levels remain below recent outcomes and well under pre-pandemic averages.

Divergence between advanced and emerging economies remained a defining feature of the global space. Advanced economies faced subdued momentum due to weak productivity gains, fiscal consolidation, and demographic pressures. Emerging market and developing economies are expected to grow faster, supported by stronger domestic demand and structural drivers. However, the IMF noted that slowdown and inflation risks are likely to be more pronounced in these economies, particularly commodity importers with existing vulnerabilities.

Higher energy, fertiliser, and transport costs, tighter financial conditions, and weaker external demand added pressure on economies with limited buffers. Private-sector adaptation, softer-than-expected US tariffs, financial support, and technology investments supported trade recovery. However, the Middle East conflict continued to threaten key energy and transport routes, raising input costs and reinforcing risks arising from trade tensions and geopolitical fragmentation.

Global inflation dynamics also became more challenging. The IMF's April 2026 World Economic Outlook projected global headline inflation to rise to 4.4% in 2026 before easing to 3.7% in 2027, reflecting upward revisions for both years. Under its reference forecast, which assumed a short-lived conflict and a moderate 19% rise in energy prices in 2026, global growth is projected to slow while inflation temporarily rises. In an adverse scenario involving deeper disruptions, higher energy prices, rising inflation expectations, and tighter financial conditions, global growth could fall to 2.5% while inflation could rise to 5.4% in 2026. In a severe scenario, where energy supply disruptions extend into the following year, global growth could decline to around 2% in both 2026 and 2027, while inflation could exceed 6%.

(Source: https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026)

GDP Growth Projections (in %)

(Source: https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026)

Outlook

The global economy faces a renewed resilience test in 2026, with the Middle East conflict emerging as a major near-term headwind. Although global activity remained stronger than expected through 2025, elevated geopolitical risks, persistent trade-policy uncertainty, tighter financial conditions, and possible inflationary pressures from energy-market disruptions have clouded the outlook.

Downside risks continue to dominate the near-term horizon. A prolonged conflict, deeper geoeconomic fragmentation, or shifting expectations around technology- and AI-led productivity could materially weaken growth. At the same time, continued fiscal support in select economies, improving private-sector adaptation, and the expanding integration of digital technologies may provide some offsets.

Certain emerging markets, including India, remain relatively better positioned due to stronger structural growth drivers and resilient domestic demand. However, commodity importers continue to face exposure to higher energy costs and external financing pressures.

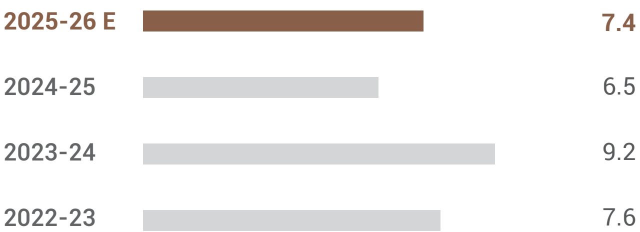
(Source: https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026)

Indian Economy

India's economy remained among the world's fastest-growing major economies. Real GDP grew 6.5% in 2024-25, supported by resilient private consumption, investment activity, and strong services and construction sectors. Growth momentum accelerated in 2025-26, with GDP expanding 7.8% in Q1 and 8.2% in Q2. This reflected robust domestic demand, sustained services activity, and early support from GST rationalisation and improving consumption sentiment. The estimate for 2025-26 projected full-year real GDP growth of 7.4%, marking a meaningful increase over the previous year.

(Sources: https://www.pib.gov.in/PressReleasePage.aspx?PRID=2212087&lang=1&reg=3&utm https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=2221389&reg=6&lang=1)

India Real GDP Growth Rate (in %)



(Sources: https://www.pib.gov.in/PressReleasePage.aspx?PRID=2219907, https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=2221389&reg=6&lang=1)

Price conditions remained largely favourable through most of 2025-26, although recent data indicates a gradual rise in price pressures. Headline CPI inflation had eased earlier in the year, supported by food-price corrections, GST rationalisation, and favourable supply conditions.

However, the latest official CPI release showed retail inflation rising to 3.48% in April 2026, with food inflation at 4.20%, against 3.40% and 3.87%, respectively, in March 2026. Core inflation remained relatively stable. Meanwhile, the RBI's earlier policy easing continued to support consumption and investment. However, the inflation outlook could shift amid evolving geopolitical conditions. Any escalation in global conflicts, disruption in energy supply chains, volatility in crude oil prices, or pressure on imported commodities could influence domestic prices in the coming months.

(Source: https://www.pib.gov.in/PressReleasePage.aspx?PRID=2260251&utm)

India's consumption outlook continues to benefit from policy measures aimed at strengthening incomes, employment and productive capacity. The Union Budget for 2026-27 reaffirmed the government's focus on fiscal consolidation and sustained capital expenditure, with infrastructure-led growth remaining a key priority. Although the Budget did not announce fresh broad-based personal income-tax relief, earlier tax-rationalisation measures and GST changes are expected to support disposable incomes and consumer sentiment. Simultaneously, continued emphasis on textile skilling, MSME support, khadi, handloom, handicrafts, village industries, and rural-linked employment further strengthens the demand environment for branded fashion across urban and semi-urban India.

India's textile and apparel sector, employing over 45 million people and contributing around 2% to GDP, continues to benefit from policy support. The Ministry of Textiles allocation for 2026-27 remains broadly stable against the previous Budget Estimate, with continued priority accorded to infrastructure, skilling, technical textiles, and cluster development. The PM MITRA mega textile parks initiative is also gaining momentum, with seven parks finalised, infrastructure work underway, and investment interest emerging across locations. India's expanding role as a diversified textile manufacturing and sourcing hub presents a long-term opportunity for domestic brands as global buyers seek more resilient supply chains.

*(Sources: https://www.pib.gov.in/PressReleasePage.aspx?PRID=2117470&reg=3&lang=2
https://www.pib.gov.in/PressReleasePage.aspx?PRID=2241103&lang=1&reg=3)*

Outlook

Resilient domestic demand and sustained momentum in the services sector continue to anchor India's economic growth outlook. This trajectory is expected to continue into 2026-27, with the IMF's April 2026 outlook projecting the economy to expand by 6.5% in CY 2026 despite a more challenging global environment. Together, these factors are expected to help India retain its position among the world's fastest-growing major economies.

(Source: https://www.pib.gov.in/PressReleasePage.aspx?PRID=2212087&lang=1&reg=3&utm)

The outlook is supported by relatively strong macroeconomic fundamentals. Inflation remained broadly contained despite some recent firming in price pressures, while the external sector continued to benefit from resilient services exports and remittance inflows. Foreign exchange reserves also remained sizeable, providing an important buffer against global volatility, although recent geopolitical tensions and rupee pressures moderated reserves from earlier peaks.

Key growth drivers include sustained public capital expenditure, infrastructure-led development, deeper technology adoption, and continued structural reforms. The Union Budget 2026-27 highlighted reforms such as GST simplification, labour-code implementation, and quality-control rationalisation. Meanwhile, the Economic Survey 2025-26 emphasised private investment, MSME participation, technology adoption, and deeper integration into global value chains to improve competitiveness and sustain growth.

Private consumption is also strengthening, supported by rising incomes, improved credit access, benign inflation, and India's favourable demographic profile. The expanding middle class, increasing formalisation, and wider digital adoption are expected to support discretionary spending across urban and semi-urban regions.

While global uncertainties remain elevated, including geopolitical risks, trade-policy uncertainty, and energy-price volatility, India's domestic growth engines remain resilient. A reform-oriented policy environment, resilient consumption base, diversified economic structure, and strong services sector position the country to sustain steady medium-term growth.

(Source: https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026)

Industry Developments and Opportunities

Global Apparel Market

The global apparel market is projected to reach approximately USD 2.36 trillion in 2026. It is expected to grow steadily to USD 4.59 trillion by 2035, registering a CAGR of 7.61% during 2026-2035. Despite macroeconomic headwinds, the sector continues to demonstrate resilience, supported by rising demand for casual and athleisure wear, higher disposable incomes, social media-driven fashion discovery, sustainability trends, and continued e-commerce growth.

Global Apparel Market Size

2035*	**USD 4.59 trillion**
2027*	USD 2.54 trillion
2026*	USD 2.36 trillion
2025	USD 2.29 trillion

* Projected

(Source: https://www.businessresearchinsights.com/market-reports/apparel-market-124451)

Global Apparel Market by Segment

Women's Apparel

2029 (P)	**USD 1,093 billion**
2026	USD 988 billion

Men's Apparel

2029 (P)	**USD 694 billion**
2026	USD 627 billion

Children's Apparel

2029 (P)	**USD 315 billion**
2026	USD 285 billion

P. Projected

(Source: https://www.uniformmarket.com/statistics/global-apparel-industry-statistics)

Indian Apparel Market

India's textile and apparel sector, spanning fibre, yarn, fabric, garments, technical textiles, and industrial textiles, remains on a strong growth trajectory. IMARC estimates the broader sector at USD 248.70 billion in 2025 and projects it to reach USD 656.31 billion by 2034, reflecting a CAGR of 11.38% during 2025-2034. While this covers the entire value chain beyond branded apparel, the growth outlook remains supported by India's demographic advantage, rising income levels, expanding organised retail, accelerating e-commerce adoption, technology modernisation, and proactive policy support through initiatives such as PLI schemes and textile infrastructure development.

(Source: https://www.imarcgroup.com/indian-textiles-apparel-market?utm)

Indian Apparel Market Size

2034*	**USD 656.31 billion**
2027*	USD 308.52 billion
2026*	USD 277.00 billion
2025	USD 248.70 billion

* Projected

Consumer preferences in India are witnessing a qualitative shift, with shoppers increasingly moving from unbranded to branded apparel. This transition is supported by rising fashion awareness, digital discovery, and aspirational lifestyle preferences. Urban millennials and Gen Z remain key drivers of this trend, although growth continues to be led more by value and fashion trends than premiumisation. Branded apparel is expected to outpace unbranded apparel and account for a larger share of consumer spending over time. Organised retail, including modern trade and e-commerce, is estimated by industry sources to approach nearly 45% of apparel sales. Meanwhile, D2C and digital-first fashion channels continue to gain traction.

(Sources: https://timesofindia.indiatimes.com/business/india-business/cart-stars-gen-z-drives-fashion-beauty-e-sales/articleshow/131164505.cms?utm https://apparelresources.com/business-news/retail/gen-z-shopper-share-reaches-nearly-50-indias-online-fashion-market/?utm)

Policy support for India's textile and apparel sector also remains strong. In January 2026, the Ministry of Textiles announced the District-Led Textiles Transformation Plan to develop export-oriented and self-reliant textile clusters. PM MITRA mega textile parks are gaining momentum through land allotments, infrastructure progress, and investor commitments. The PLI scheme continues to support high-value MMF apparel, MMF fabrics, and technical textiles, reinforcing India's shift towards advanced manufacturing. At the same time, targeted trade-remedy and tariff measures are helping address unfair import competition. Collectively, these initiatives strengthen India's position as a diversified global sourcing hub while creating long-term opportunities for domestic brands.

Indian Men's Apparel Market

The Indian menswear market reached USD 21.9 billion in 2025, rising from USD 20.4 billion in 2024, according to IMARC Group estimates. The market is projected to reach USD 42.4 billion by 2034, growing at a CAGR of 7.24% during 2025-2034. This growth reflects structural shifts in Indian men's fashion, driven by rising disposable incomes, rapid urbanisation, growing fashion awareness among younger consumers, evolving style preferences and wider access to brands through e-commerce and digital platforms.

Digital commerce is extending the reach of India's menswear market beyond metros, enabling brands to serve consumers across Tier I, II and III cities more efficiently. Recent D2C data indicates that Tier II and III cities contributed nearly 66% of new D2C orders in 2025-26 and accounted for 60% of incremental Gross Merchandise Value (GMV), highlighting the growing depth of non-metro consumption. This broader access is improving brand discovery, supporting convenience-led purchases and helping both established and emerging fashion labels strengthen visibility across a wider consumer base.

At the same time, menswear preferences are shifting towards comfort, versatility and everyday functionality. Relaxed workwear, casual shirts, T-shirts, joggers, athleisure and smart-casual formats are gaining traction as consumers seek clothing suited for office, travel, leisure and social occasions. This trend is encouraging brands to sharpen design capabilities, improve fabric quality and expand portfolios across formal, casual, athleisure and occasion wear categories.

Meanwhile, competition is intensifying with the expansion of organised retail, digital-first brands, high streets, malls and international labels. As the category evolves, sustained growth will depend on brand recall, omnichannel reach, product relevance, quality, pricing discipline and faster response to changing consumer behaviour.

Indian Men's Apparel Market Size and Forecast

2034 (P)	USD 42.4 billion
2025	USD 21.9 billion
2024	USD 20.4 billion
Projected CAGR (2026-2034)	7.24%

P. Projected

(Source: https://www.imarcgroup.com/india-menswear-market?utm)

Growth Drivers

Rising Disposable Incomes

As incomes rise, men's apparel spending is moving beyond basic replacement demand towards branded, occasion-led, workwear, casualwear, athleisure, and premium products. Greater income visibility is also supporting repeat purchases and broader wardrobe expansion.

(Source: https://www.imarcgroup.com/india-menswear-market?utm)

Younger, Fashion-Conscious Consumers

Urbanisation is reshaping men's fashion consumption by increasing exposure to organised retail, office wear, casualwear, athleisure, and lifestyle-led dressing. India's population aged 20-45 years accounted for nearly 41.5% of the total population in 2025, reflecting a large youth-driven consumer base. Meanwhile, the World Bank expects urban areas to house around 600 million people by 2036, supporting demand for modern apparel formats.

(Source: https://www.populationpyramids.org/india?utm)

E-Commerce Expansion

Younger consumers, especially millennials and Gen Z, are accelerating fashion experimentation across casualwear, streetwear, athleisure, ethnic wear, and premium basics. Gen Z accounted for 40-45% of India's e-retail shoppers and nearly half of incremental online orders in 2025. Shopping behaviour is increasingly influenced by social media, influencers, and digital discovery.

(Source: https://www.bain.com/insights/how-india-shops-online-2026/?utm)

Shift from Unbranded to Branded Apparel

E-commerce and digital platforms have widened access to brands across metros and Tier II and Tier III cities.

India's online retail market reached approximately USD 65-66 billion in GMV in 2025 and is projected to grow over 20% annually to USD 170-180 billion by 2030. This expansion continues to support online discovery and purchases of men's apparel through marketplaces, D2C websites, and omnichannel retail.

(Source: https://retail.economictimes.indiatimes.com/news/e-commerce/e-tailing/india-eretail-sector-crosses-65-bn-likely-to-grow-over-20-pc-annually-till-2030/130138757)

Premiumisation and Lifestyle Upgrading

The shift from unbranded to branded apparel remains a major structural driver for India's apparel market. As incomes rise and consumers become more brand-conscious, purchase decisions are increasingly influenced by quality, fit, design, comfort, and aspirational value rather than price alone. This is accelerating premiumisation across categories, with consumers showing greater willingness to upgrade to higher-value products for workwear, casualwear,

occasion wear, and lifestyle-led dressing. India's men's apparel market is projected to reach USD 42.4 billion by 2034, with branded apparel accounting for a larger share of spending and growing faster than unbranded apparel. This trend continues to support demand for branded shirts, denim, innerwear, formalwear, ethnic wear, and casualwear.

(Source: https://redseer.com/articles/fashion-forward-winning-in-indias-fast-growth-apparel-market/?utm)

Casualisation of Wardrobes

Casualisation is also reshaping men's wardrobes. Consumers are increasingly choosing better fits, improved fabrics, branded occasion wear, smart casuals, athleisure, and lifestyle-led products instead of purely functional clothing.

(Source: https://www.imarcgroup.com/india-menswear-market?utm)

Wedding, Festive, and Occasion Wear Demand

Wedding, festive, and occasion wear demand continues to support recurring menswear purchases, particularly across ethnic wear, formalwear, accessories, and premium apparel. India's ethnic wear market also remains closely linked to festive and occasion-led dressing.

(Source: https://timesofindia.indiatimes.com/city/indore/wedding-season-lifts-garments-demand-but-gst-hike-make-keep-a-lid/articleshow/125258990.cms?utm)

Overall, India's men's apparel market is benefiting from income growth, urbanisation, digital adoption, youth-led fashion awareness, branded apparel penetration, and organised retail expansion. Together, these factors are creating a larger and more sophisticated consumer base for branded menswear across urban and semi-urban India.

Company Overview

Credo Brands Marketing Limited ('Credo' or 'the Company') is engaged in the design, branding, marketing, and retailing of men's apparel and accessories in India. Established in 1998 by first-generation entrepreneur Kamal Khushlani, the Company has built 'MUFTI' into one of India's leading mid-premium to premium men's casualwear brands. Over the years, the brand and the Company have become closely synonymous, with Credo widely recognised in the market as 'MUFTI'.

Over the past two and a half decades, the Company has built a distinctive presence in India's fashion ecosystem through bold design, authentic self-expression and enduring quality. MUFTI was conceived with a clear vision: to offer the modern Indian man fashion choices that reflect confidence, individuality and a progressive sense of style.

MUFTI's core proposition centres on a versatile wardrobe catering to the modern man across multiple occasions, from relaxed weekends to smart-casual workplaces. Operating in the mid-premium to premium segment, the brand offers a broad portfolio encompassing shirts, T-shirts, jeans, chinos, cargos, sweatshirts, jackets, blazers, sweaters, and athleisure wear. The portfolio spans four lifestyle choices: Authentic Daily Casuals, Relaxed Holiday Casuals, Urban Party Wear, and Athleisure Lounge Wear. The Company has introduced a trend-sensitive product strategy featuring contemporary silhouettes and elevated fabric choices. Merchandise has also been restructured into a lifecycle flow aligned with specific life occasions, ensuring meaningful wardrobe solutions for every occasion in a consumer's life.

2025-26 marks a watershed moment in MUFTI's brand journey with the full-scale launch of the MUFTI 2.0 transformation. Anchored in the vision to firmly position the brand within India's premium fashion segment, the transformation encompasses a reimagined store identity with a refreshed retail design language, elevated merchandise architecture with a sharper premium focus, intensified brand-building investments across digital and traditional media, and deeper engagement through the Company's proprietary loyalty platform, Muftisphere. The platform hosts a database of over 3 million consumers.

During 2025-26, the Company successfully launched 28 stores under the MUFTI 2.0 retail identity, comprising 14 new stores and 14 renovated stores, receiving encouraging responses from consumers, trade partners, and mall operators.

A key and enduring differentiator for MUFTI is its creative boldness. Rather than following transient trends, the brand consistently nurtures a design identity centred on originality, confidence, and expressiveness. An experienced in-house 15-member design team creates an album of over 1,400 designs annually, tracking global trends to deliver innovative, high-quality products across occasions. This design-led approach has cultivated a loyal consumer community valuing the brand's distinctiveness in a crowded market.

Another defining feature of the Company's operating model is its merchandise lifecycle management. Credo distributes fresh stock to EBOs, MBOs, and LFS partners every season, supports discounted end-of-season sales, and subsequently retrieves all unsold merchandise from offline channels. Returned inventory is then sold profitably through online channels and factory outlets. This risk-free supply model, unique within the Indian branded apparel industry, ensures fresh merchandise across retail touchpoints, supports partner profitability, and preserves the brand's premium positioning without margin erosion.

Operationally, the Company continues to derive strategic advantage from its asset-light model. By retaining inhouse design and product development capabilities while outsourcing manufacturing, MUFTI maintains flexibility, speed-to-market, and cost efficiency. The Company works with a network of over 50 fabric and accessory suppliers and more than 50 manufacturing partners, with top partners associated for over a decade on average. The entire supply chain is managed end-to-end on ERP Ginesys, while QlikSense supports data analytics and management reporting.

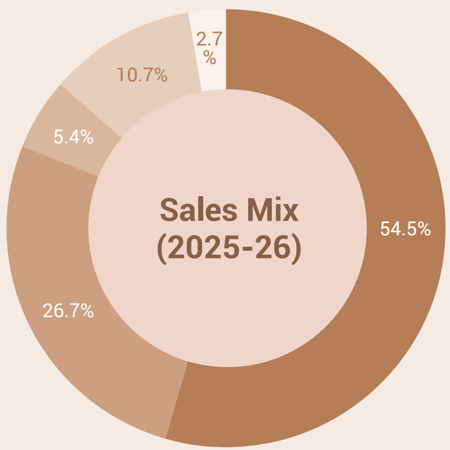
429
Exclusive Brand Outlets

233
Cities

1,336
Multi-Brand Outlets

148
Large Format Stores

1,913+
Total Retail Touchpoints



Company Outlook

MUFTI entered 2026-27 with clear strategic direction and cautious optimism. The MUFTI 2.0 transformation, anchored in premiumisation, brand reinvention and digital acceleration, represents a deliberate long-term investment towards building a more aspirational and commercially resilient brand. While this transition has created near-term profitability pressures, the Company remains confident that sustained brand investments will unlock value as consumer preferences align with MUFTI's premium repositioning.

On the digital front, the D2C strategy has started delivering measurable results. Own website sales grew approximately 74% year-on-year in 2025-26, validating the Company's digital-first approach through partnerships with leading platforms, including Google and Meta. The Muftisphere loyalty ecosystem, with over 3 million registered consumers, continues to deepen engagement and improve retention, while generating valuable first-party consumer data to support collection planning and targeted marketing.

On the retail front, the Company continues to exercise disciplined selectivity in expansion, prioritising high-potential premium-format locations across metro cities, premium malls, high-street retail destinations and airports, while rationalising underperforming stores. The focus remains on strengthening network quality over scale. During 2025-26, 34 new stores were opened and 46 underperforming stores were closed, taking the year-end EBO count to 429 stores. This reflects the Company's guiding philosophy of prioritising network quality over aggressive expansion. In 2026-27, the Company plans to close approximately 20 odd stores and open 20 new stores, with continued emphasis on premium locations. It also intends to strategically add nearly 20 premium stores under the MUFTI 2.0 format to further elevate brand perception and create immersive consumer experiences. As part of the MUFTI 2.0 transformation, the Company is redefining its retail presence through a premium store identity built on minimalist design. The refreshed outlets feature a beige-led palette with stone, wood and steel fixtures, creating a more aspirational and immersive environment for the modern man. The strategy focuses on quality of network over scale.

Advertising and branding spend of 5-6% of revenue was incurred during 2025-26 and are expected to increase to 8-10% in 2026-27. This reflects the Company's conscious long-term commitment towards strengthening brand equity, despite near-term pressure on profitability. The Company anticipates the benefits of these investments to start materialising in two to three years.

Credo's asset-light operating model, strong cash generation and debt-free balance sheet provide financial flexibility to pursue its transformation agenda confidently. Its focus on profitable growth, reflected in the consistent industry-leading EBITDA margins and improving revenue per square foot, remains central to long-term value creation. Importantly, all brand and transformation investments continue to be funded entirely through operating profits, ensuring sustained profitability through the investment cycle.

The brand's strategic shift is towards India's premium menswear segment, supported by upgraded flagship stores, refined merchandise catering to evolving lifestyle occasions, and sharper brand storytelling through higher marketing and digital investments. By combining premium store formats, contemporary product architecture and omnichannel engagement, MUFTI aims to build a stronger growth platform for the future. The Company is also strengthening its content creator collaboration strategy as a key pillar of its digital brand-building efforts.

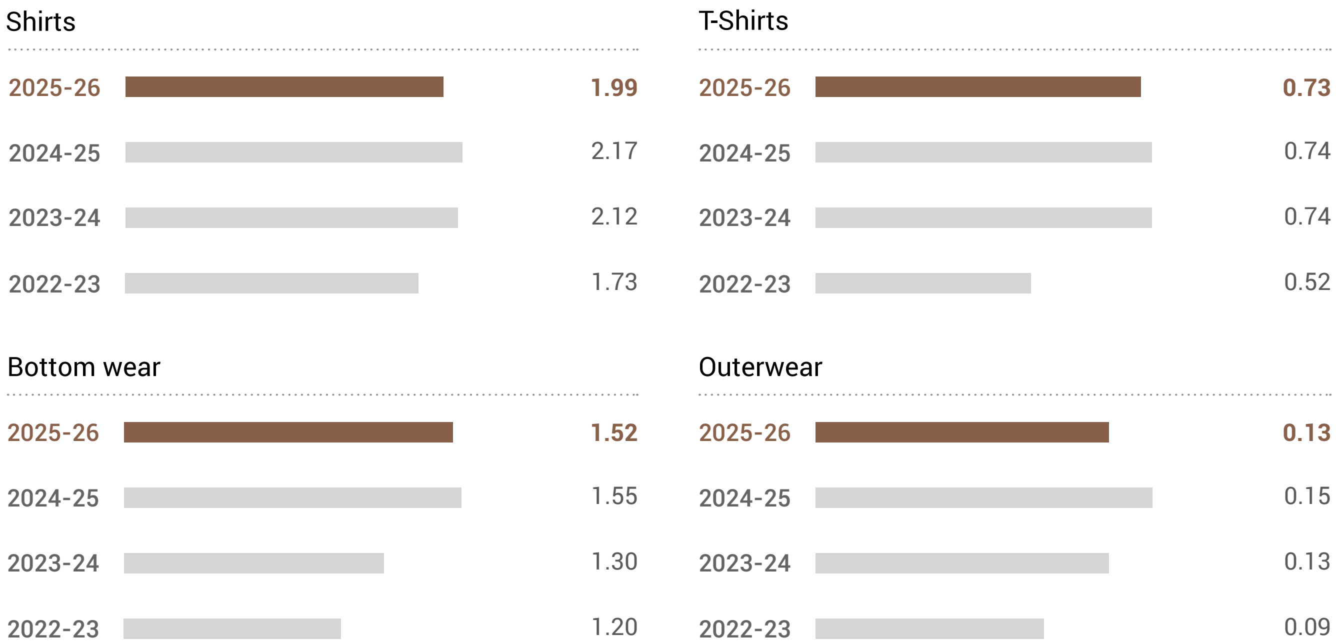
Product-wise Performance

MUFTI's product architecture spans four core categories: Shirts (Top wear), Bottom wear (Jeans, Chinos, Cargos), T-shirts (Top wear), and Outerwear (Jackets, Blazers, Sweatshirts). Bottom wear led the product mix at 40.8%, followed by Shirts at 38.1%, reaffirming the brand's strong position in core men's casualwear categories. T-shirts contributed 12.8%, Outerwear 6.1%, and Others 2.2%.

During the year, consumer preference shifted towards basics over fashion-forward styles, affecting the performance of trend-led products across the portfolio. The Company has integrated these insights into its Spring/Summer 2026 collection through a more balanced product architecture aligned with evolving consumer demand for versatility, wearability and seasonal fashion relevance.

From an EBO performance perspective, average annual revenue per EBO stood at ₹ 75.2 lakhs in 2025-26. Average ticket value per EBO bill reached ₹ 5,232, while revenue per square foot stood at ₹ 11,719 in 2025-26, reflecting sustained productivity over previous years.

Quantity Sold (in million Units)



Financial Overview

The Company's revenue from operations for 2025-26 stood at ₹ 5,921 million, compared to ₹ 6,182 million in 2024-25. The Company's EBITDA for 2025-26 stood at ₹ 1,542 million, as against ₹ 1,798 million in 2024-25. Profit After Tax (PAT) for 2025-26 stood at ₹ 474 million, compared to ₹ 684 million in 2024-25.

2025-26 was a year of deliberate brand investment and strategic transformation. The Company consciously passed on GST benefits to consumers on products priced below ₹ 2,500 while refraining from price increases on higher-priced products. This reflected a measured approach to protect consumer trust. Advertising and branding spend was approximately 5-6% of revenue in 2025-26, with plans to increase to 8-10% in 2026-27, reflecting a sustained commitment to long-term brand building through the MUFTI 2.0 transformation. Cash flow from operations for 2025-26 stood at ₹ 1,324 million, while Return on Capital Employed (RoCE) and Return on Equity (RoE) as of March 31, 2026, stood at 13.8% and 11.2%, respectively. Despite near-term revenue and margin pressures, the Company's balance sheet remains robust, with no financial debt and strong operating cash generation.

Key Financial Highlights (₹ in million)

Revenue from Operations

2025-26	**5,921**
2024-25	6,182

EBITDA

2025-26	**1,542**
2024-25	1,798

Gross Profit

2025-26	**3,455**
2024-25	3,539

EBITDA Margin (%)

2025-26	**26.0**
2024-25	29.1

Profit After Tax (PAT)

2025-26	**474**
2024-25	684

Gross Profit Margin (%)

2025-26	**58.4**
2024-25	57.2

Profit Before Tax (PBT)

2025-26	**638**
2024-25	917

Net Cash from Operating Activities

2025-26	**1,324**
2024-25	1,590

Key Ratios

Ratios	2025-26	2024-25	Variance (%)	Explanation (in case change is 25% or more, as compared to previous year)
Debtors' Turnover Ratio (in times)	2.49	2.74	(9.07)	NA
Inventory Turnover Ratio (in times)	5.58	5.45	2.37	NA
Debt Service Coverage Ratio (in times)	1.65	2.01	(17.98)	NA
Current Ratio (in times)	3.27	3.61	(9.37)	NA
Gross Profit Margin (in %)	58.35	57.25	1.98	NA
Net Profit Margin (in %)	8.01	11.07	(27.62)	The variance is on account of a. decrease in sales by 2.90% in 2025-26 as compared to 2024-25 and b. increase in expenses by 1.54% in FY 2025-26 as compared to 2024-25
Debt-Equity Ratio (in times)	0.52	0.58	(9.97)	NA
Return on Net Worth (in %)	11.17	18.20	(38.60)	The variance is on account of decrease in earnings before interest and taxes by 23% in 2025-26 as compared to 2024-25

Threats

In 2025-26, the branded apparel industry navigated a challenging environment marked by subdued consumer sentiment and weaker discretionary spending, particularly in Tier II and Tier III markets. Q3 2025-26 remained muted for the sector, with the festive season falling short of expectations and lower footfall across retail touchpoints. These pressures weighed on industry-wide revenue growth. During the year, the business also faced supply chain disruptions, including logistics delays and raw material cost pressures, affecting timely product availability and quarterly revenue performance. The Company responded by recalibrating sourcing, logistics, and inventory planning to minimise spillover impact, while delayed supplies were progressively normalised in the subsequent quarter. Raw material cost pressures and sourcing diversification risks continue to remain key monitoring areas.

Competition has intensified, with domestic brands, international entrants, and digitally native fashion platforms targeting the same consumer base. Fast fashion platforms and value retailers continue exerting price pressure in lower segments, while global premium brands are strengthening their India presence within the aspirational consumer category. Several D2C-native brands, backed by private equity, have deployed disproportionately large marketing budgets relative to their revenue base, especially across digital channels. This has intensified brand visibility competition for established offline-first players. The evolving competitive environment demands exceptional agility and strategic clarity in brand positioning.

The rapid evolution of digital retail presents both opportunities and competitive pressures. While the Company's D2C business has delivered strong growth, the channel requires sustained investment in technology, marketing, and consumer experience to remain competitive against rapidly growing digitally native D2C brands targeting the same fashion-conscious urban consumers.

Sustainability expectations from consumers, investors, and regulators are also evolving. Although sustainability awareness in India remains relatively nascent compared to Western markets, the direction remains clear. The Company continues evaluating practical and cost-effective sustainability initiatives that can be integrated into operations without adversely affecting consumer pricing.

Risk Management

MUFTI has established a comprehensive enterprise-wide risk management framework designed to proactively identify, assess, and address risks across all aspects of the business. The framework is integrated with the Company's strategic planning, operational processes, and decision-making, enabling a holistic view of potential exposures. MUFTI follows a structured risk evaluation process comprising periodic risk assessments, scenario analysis, and cross-functional inputs to evaluate both impact and likelihood. A central Risk Management Committee oversees mitigation strategy implementation, while internal audit mechanisms regularly review and strengthen the processes.

The following table details the primary risks identified and the Company's corresponding mitigation strategies.

Risk Category	Specific Risks Faced	Mitigation and Response
Macroeconomic and Regulatory	Muted discretionary spending and weak consumer sentiment impacted demand across the apparel industry. GST reforms also created temporary pressure on margins.	› Tax benefits for products below ₹ 2,500 were passed on to consumers › Additional costs for premium products were absorbed to support consumer traction › A debt-free balance sheet was maintained to navigate softer business cycles
Supply Chain	Supply chain disruptions in Bangladesh delayed product availability.	› Inventory flows were managed to enable dispatches in subsequent quarters › Measures were undertaken to recover potential lost sales
Competitive	Intensifying competition from well-funded D2C brands and aggressive expansion by value retailers increased pressure on market positioning and consumer acquisition.	› MUFTI 2.0 was implemented to support premiumisation and brand differentiation › Marketing investments are being increased to 8-10% of revenue to strengthen brand positioning
Retail and Operational	Underperforming stores affected overall network productivity and operational efficiency.	› The retail network is being rationalised through closure of underperforming stores › Premium stores are being introduced in high-impact locations
Digital Shift	The growing preference for digitally native D2C brands created potential risks around relevance among younger consumers.	› Digital marketing initiatives were intensified to strengthen consumer engagement › Partnerships with Google and Meta were enhanced to support D2C growth

Human Resources

MUFTI firmly believes its people are the foundation of its success. The Company goes beyond conventional norms to create a workplace that is inclusive, engaging, and growth focused. By prioritising attitude over experience, MUFTI invests in employee development through hands-on learning and comprehensive training programmes, ensuring continuous skill enhancement.

The Company strives to foster an environment where employees feel valued and empowered. This is reinforced through wellness initiatives, diversity and inclusion programmes, and employee assistance efforts. An open communication culture, supported by accessible leadership, encourages continuous feedback, coaching, and meaningful performance discussions, strengthening transparency and trust across the organisation.

MUFTI's HR philosophy centres on attracting and retaining top talent, developing future leaders, and aligning the workforce with the Company's long-term strategic vision. During 2025-26, the Company strengthened the digital, retail, and analytical capabilities needed to execute the MUFTI 2.0 transformation effectively, ensuring employees remain equipped for the evolving demands of premium retail.

As of March 31, 2026, MUFTI had 245 permanent employees who continue to shape the brand's vibrant and collaborative culture.

Internal Control Systems and Their Adequacy

MUFTI maintains a robust internal control framework designed to ensure operational integrity, efficiency, and regulatory compliance. It's leadership fosters a culture of ethics, transparency, and accountability, while establishing clear expectations across the organisation.

Regular risk assessments are conducted to proactively identify and mitigate potential challenges. The control framework includes defined segregation of duties, secure physical and digital safeguards, and IT-enabled controls tailored to MUFTI's operational requirements. In 2025-26, the scope of internal controls was expanded to cover the Company's growing digital and e-commerce operations, ensuring consistent standards across all channels.

To further strengthen this framework, the Company emphasises continuous communication, targeted training, and ongoing monitoring across functions. Employees are encouraged to act responsibly and report concerns, reinforcing compliance and ethical conduct throughout the organisation. The internal audit function operates independently and reports directly to the Audit Committee, providing objective assurance on control effectiveness.

MUFTI's internal controls continue to evolve in response to emerging risks, technological advancements, and industry best practices. This approach safeguards assets while supporting long-term and sustainable performance.

Cautionary Statement

This section contains statements that may be classified as 'forward-looking' under applicable securities laws and regulations. These include projections, expectations, and estimations regarding future performance, based on certain assumptions and anticipated developments. However, such statements are inherently subject to uncertainties and external influences beyond the Company's control. As a result, actual outcomes may differ materially from those expressed or implied. The Company bears no obligation to publicly update or revise any forward-looking statements based on future events or changes in circumstances. Stakeholders are therefore advised to interpret such statements with due caution, considering the unpredictability of future business environments.

BOARD'S REPORT

Dear Members,

The Board of Directors present the Company's Twenty-seventh Annual Report together with the audited financial statement of the Company for the financial year ended March 31, 2026.

FINANCIAL PERFORMANCE

The Company's financial performance for the year ended March 31, 2026 is summarised below:

(₹ in million)

Particulars	Financial Year	
	2025-26	**2024-25**
Revenue from operations	5,921.03	6,181.80
Other income	108.50	60.79
Total income	**6,029.53**	**6,242.59**
Operating expenditure	4,379.13	4,383.63
Depreciation and amortisation expense	743.70	685.65
Total expenses	**5,122.83**	**5,069.28**
Profit before finance costs and tax	**906.70**	**1,173.31**
Finance costs	254.73	255.01
Exceptional Item	13.97	-
Profit before tax	**638.00**	**918.30**
Tax expense	163.76	234.21
Profit for the year	**474.24**	**684.09**
Retained Earnings		
Balance as at beginning of the year	**3,858.10**	**3,204.48**
Add: Profit for the period	474.24	684.09
Less: dividends paid on Equity shares	(196.11)	(32.48)
Add: Other comprehensive income / (loss)	1.40	2.01
Balance as at end of the year	**4,137.63**	**3,858.10**

COMPANY'S PERFORMANCE

During the year under review, the Company recorded a decrease of 4.22% in revenue from operations at ₹ 5,921.03 million as compared to ₹ 6,181.80 million in the previous financial year and a decrease of 30.52% in the profit before tax of ₹ 638.00 million for the year under review as compared to ₹ 918.30 million for the previous financial year.

Earnings Per Share (EPS): The basic EPS of the Company stood at ₹7.26 for the year under review as against ₹ 10.54 for the previous year and Diluted EPS stood at ₹7.25 for the year under review as against ₹10.52 for the previous year.

The Financial Year 2025-26 was a year of transition and disciplined execution for the Company. While overall market conditions in the mid-premium and premium apparel segment remained challenging for most of the year. The Company focused on strengthening the brand, improving the quality of its retail network, and investing behind the long-term positioning of MUFTI.

The Financial Year 2025-26 marked an important phase in our MUFTI 2.0 journey. Over the year, the Company continued to premiumise the store experience, sharpen merchandise architecture, and evolve the overall presentation of the brand. The response to the new-format stores opened so far has been encouraging and reinforces our belief that consumers continue to value brands that evolve with changing aspirations.

As part of this transformation, the Company remains focused on improving productivity across the retail network by closing underperforming stores and selectively opening experience-led stores in better locations. Our objective remains clear, to build a healthier, more productive, and more aspirational retail network over time.

Looking ahead, the broader macroeconomic environment continues to remain uncertain, with ongoing geopolitical tensions and global conflict situation potentially impacting consumer sentiment, inflationary trends, supply chains, and discretionary spending patterns across markets. However, the management believes the investments being made in retail experience, digital engagement, brand building and product mix, would help place MUFTI on a stronger, more relevant, and sustainable growth path in the years ahead.

The Company's products are available through a pan-India multichannel distribution network which has been built over the years comprising of our exclusive brand outlets ("**EBOs**"), large format stores ("**LFSs**") and multi-brand outlets ("**MBOs**"), as well as online channels comprising of our website and other e-commerce marketplaces. As of March 31, 2026, the Company has a pan-India presence through 429 EBOs, 148 LFSs and 1336 MBOs, with our reach extending from major metros to Tier-3 cities.

A detailed analysis of the Company's performance and outlook is included in the Management Discussion and Analysis Report, which forms part of this Annual Report.

DIVIDEND

The Board has recommended a final dividend of ₹ 2.00 (100%) per Equity Share of ₹ 2.00 each for the financial year 2025-26. The final dividend on equity shares, if approved by the Members, would involve a cash outflow of ₹ 130.74 million.

TRANSFER TO RESERVES

No amount was transferred to the General Reserve for the year under review.

DIVIDEND DISTRIBUTION POLICY

The Company has adopted Dividend Distribution Policy, which endeavours for fairness, consistency and sustainability while distributing profits to the Members of the Company. The same has been disclosed on the Company's website at https://www.credobrands.in/files/Dividend_Distribution_Policy.pdf

EQUITY SHARE CAPITAL

Issue of Equity Shares under Credo Stock Option Plan 2020

During the year under review, the Company has allotted 59,600 Equity Shares of ₹ 2.00 each to the eligible employee of the Company upon exercise of Stock Options under the Credo Stock Option Plan 2020 of the Company.

Consequently, the paid-up Equity Share Capital of the Company as at March 31, 2026 was ₹130,740,206 divided into 65,370,103 Equity Shares of ₹ 2.00 each, fully paid-up.

During the year under review, the Company has not issued any sweat equity shares or equity shares with differential rights.

DIRECTORS' RESPONSIBILITY STATEMENT

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

a. in the preparation of the annual accounts for the financial year ended March 31, 2026, the applicable accounting standards have been followed and there are no material departures;

b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c. they have taken proper and sufficient care 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;

d. they have prepared the annual accounts on a going concern basis;

e. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively.

f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on March 31, 2026, the Company has six Directors (including two women Directors) of which four are Non- executive Directors. The Company has three Independent Directors (including one woman Independent Director).

There was no change in the Key Managerial Personnel (KMPs) of the Company, during the year under review.

During the year review, the Shareholders at its Annual General Meeting held on September 22, 2025, based on the recommendations of the Board and Nomination and Remuneration Committee, have re-appointed Mr. Amer Jaleel (DIN: 03194596) as an Independent Director for the second term of 5 consecutive years commencing from November 02, 2025 to November 01, 2030.

Retire by rotation

In accordance with the provisions of the Act and the Articles of Association of the Company, Mrs. Poonam Khushlani (DIN: 01179171), Whole-time Director of the Company, retires by rotation as a Director and being eligible, offers herself for re-appointment. The Board, based on the recommendation of the Nomination and Remuneration Committee, has recommended her re-appointment. The resolution for aforesaid re-appointment along with the brief profile and other related information of Mrs. Poonam Khushlani form part of the Notice convening the Annual General Meeting ("AGM").

Re-appointment of Mr. Kamal Khushlani as Chairman and Managing Director

The Shareholders of the Company at their Extraordinary General Meeting held on March 29, 2022, had appointed Mr. Kamal Khushlani (DIN: 00638929) as the Chairman and Managing Director of the Company for a period of five years with effect from March 08, 2022. The present tenure of Mr. Kamal Khushlani as the Managing Director of the Company would come to an end on March 07, 2027.

Based on the recommendation of the Nomination and Remuneration Committee, the Board at its Meeting held on May 21, 2026 has recommended the re-appointment of Mr. Kamal Khushlani as the Chairman and Managing Director of the Company for a period of five years on expiry of his present term of office, i.e., with effect from March 08, 2027, subject to approval of the Shareholders at the ensuing Annual General Meeting. The resolution for aforesaid re-appointment along with the brief profile and other related information of Mr. Kamal Khushlani form part of the Notice convening the AGM.

Independent Directors

The Company has received declarations from all Independent Directors of the Company confirming that each of them meet the criteria of independence as provided in section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI LODR Regulations"**).

All Independent Directors on the Board of the Company are registered with the Indian Institute of Corporate Affairs ("IICA") as notified by the Central Government under section 150(1) of the Act and passed online proficiency self-assessment test, as applicable, within the time prescribed by the IICA. In the opinion of the Board, the Independent Directors possess the requisite expertise, experience & proficiency and are people of high integrity and repute.

BOARD EVALUATION

The Nomination and Remuneration Committee, in order to facilitate the performance evaluation process, laid down the criteria and procedure for the performance evaluation. The Board has carried out an annual evaluation of its own performance, Committees and individual Directors pursuant to the provisions of the Act and the SEBI LODR Regulations.

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

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members and other Board members on the basis of criteria such as the composition of committees, roles and responsibility, analysis, decision-making, effectiveness of committee meetings, etc.

The performance of individual Directors was reviewed on the basis of criteria such as the engagement, leadership, analysis, interaction, governance and contribution of the individual Director to the Board and Committee meetings, etc. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

The Independent Directors at their separate meeting held on May 21, 2026 based on the feedback received from the Directors, reviewed the performance evaluation of Directors, the Board as a whole, the Chairman of the Board after taking into account the views of executive directors and non-executive directors of the Company and also assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

The Independent Directors expressed their appreciation for the overall functioning of the Board, its various Committees and with the performance of other Non-executive and Executive Directors. They also appreciated the in-depth knowledge and leadership role of the Chairman of the Board. The Board expressed its satisfaction with the overall evaluation process.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Board has adopted the Remuneration policy under section 178(4) of the Act and Policy on diversity of Board of Directors. These policies are available at the Company's website at https://www.credobrands.in/ investors/corporate-governance/#acc_631.

NUMBER OF MEETINGS OF THE BOARD

During the year under review, five meetings of the Board of Directors of the Company were held, which were attended by all directors. For details of meetings of the Board, please refer to the Corporate Governance Report, which forms part of the Annual Report.

AUDIT COMMITTEE

The Audit Committee comprises of Mr. Paresh Bambolkar as Chairman of the Committee and Mr. Amer Jaleel and Dr. Manoj Nakra as other Members of the Committee. The Company Secretary of the Company acts as the Secretary of the Committee. All Members of the Committee possess accounting and financial management expertise. For further details of the Audit Committee, please refer to the Corporate Governance Report, which forms part of the Annual Report.

SUBSIDIARY

KAPS Mercantile Private Limited ("KMPL", a wholly owned subsidiary of the Company) had filed an application for striking off it's name from the Register of Companies, under section 248(2) of the Act, on January 21, 2025. During the year under review, the name of KMPL has been struck off from the Register of Companies w.e.f. April 23, 2025 and KMPL was dissolved.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

Pursuant to the provisions of section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, M/s. M S K C & Associates LLP (formerly M/s. M S K C & Associates) Chartered Accountants (ICAI Firm Registration No.: 001595S/S000168) has been appointed as the Statutory Auditors of the Company to hold the office for a term of five consecutive financial years from the conclusion of the Twenty-fifth Annual General Meeting held on August 30, 2024 until the conclusion of the Thirtieth Annual General Meeting of the Company.

Auditors' Report

The Auditors' Reports on the Standalone Financial Statement of the Company for the financial year ended March 31, 2026 are issued with unmodified opinion. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Secretarial Auditor

Pursuant to section 204 and other applicable provisions of the Act read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI LODR Regulations, and pursuant to the recommendation of the Audit Committee and the Board, the Members at their Annual General Meeting of the Company held on September 22, 2025 appointed M/s. Siroya and BA Associates, Company Secretaries, Firm Registration No.: P2019MH074300, holding Peer Review Certificate No. 3907/2023 issued by the Institute of Company Secretaries of India ("ICSI") as Secretarial Auditor of the Company for a period of 5 (five) consecutive financial years from the financial year 2025-26 till financial year 2029-30.

Secretarial Audit Report and Annual Secretarial Compliance Report

The Company has annexed a Secretarial Audit Report for the year under review issued by the Secretarial Auditor, to this Report as Annexure A. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The Annual Secretarial Compliance Report duly issued by Secretarial Auditor for the year under review for applicable compliances as per SEBI Regulations and Circulars / Guidelines issued thereunder, has been submitted to the Stock Exchanges.

RISK MANAGEMENT AND INTERNAL FINANCIAL CONTROL

The Company has constituted Risk Management Committee to frame, implement and monitor the risk management framework designed to identify, assess and mitigate Risks.

During the year under review, the Risk Management Committee reviewed the risks which may affect its operations, employees, customers, vendors and all other stakeholders from both the external and the internal environment perspective. Based on the risk identification, appropriate actions have been initiated to mitigate and/or monitor such risks on a regular basis.

Other Risks associated to the business of the Company including cyber risk and cyber security such as prevention measures on threats, Malware, Virus and web application threats, were being periodically reviewed by the Risk Management Committee.

Based on the various IT systems and procedures for internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal and statutory auditors including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by Management, the Company believes that these systems provide reasonable assurance that the Company's internal financial controls are adequate and are operating effectively.

SECRETARIAL STANDARDS

During the year under review, the Company has complied with the applicable provision of Secretarial Standards on meetings of the Board of Directors ("SS-1") and on General Meetings ("SS-2") issued by the ICSI in terms of section 118(10) of the Act.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The composition of the Corporate Social Responsibility Committee, brief outline of the CSR policy of the Company and the initiatives undertaken by the Company on CSR activities during the year under review are set out in Annexure B of this Report in the format prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The terms of reference of the Corporate Social Responsibility Committee are provided in the Corporate Governance Report, which forms part of the Annual Report.

EMPLOYEES STOCK OPTIONS

The Company has in-force Credo Stock Option Plan 2020. The disclosures as required under the Act with regard to the Credo Stock Option Plan 2020 are given in Annexure C to this Report and also available on the Company's website at https://www.credobrands.in/investors/statutory-documents/#acc_1142.

A certificate from the Secretarial Auditor of the Company viz. M/s. Siroya and BA Associates, Company Secretaries with respect to implementation of Credo Stock Option Plan 2020 will be available at the ensuing AGM for inspection by the Members.

PARTICULARS OF EMPLOYEES

Disclosures as required under section 197(12) of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in Annexure D to this Report.

Disclosures relating to remuneration and other details as required under section 197(12) of the Act, read with rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. In terms of the provisions of the second proviso to section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company. Any member interested in obtaining such information may send their email to Investorrelations@Mufti.in.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Your Company has always endeavoured to provide a safe, secured and harassment free workplace for every individual working in the Company and to create an environment that is free from any discrimination and sexual harassment.

The Company has in place a policy on prevention of sexual harassment of women at workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and the Rules made thereunder. The Company has also constituted Internal Complaints Committees under POSH Act to redress and resolve any compliant arising thereunder and follows the guidelines provided in the policy. The Committee met four times during the year under review.

During the year under review, there was no compliant filed under the POSH Act.

The Code on Social Security, 2020 - Maternity benefit

The Company is in compliance with the applicable provisions relating to maternity benefits as prescribed under the Maternity Benefit Act, 1961/ the Code on Social Security, 2020.

VIGIL MECHANISM AND WHISTLE BLOWER POLICY

The Company has in place Vigil Mechanism and Whistle Blower Policy for Stakeholders of the Company to report genuine concerns that could have serious impact on the operations and performance of the business of the Company and the same would also be available on the Company's website at https://www.credobrands.in/investors/corporate-governance/#acc_631.

Employees and stakeholders are expected to report actual or suspected violations of applicable laws, regulations, and the Code of Conduct. It is affirmed that no person has been denied access to the Chairman of the Audit Committee.

ANNUAL RETURN

In accordance with section 134(3)(a) and section 92(3) of the Act, read with the Companies (Management and Administration) Rules, 2014, the annual return as on March 31, 2026, in the prescribed format is available on the Company's website at https://www.credobrands.in/investors/statutory-documents/#acc_48.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year under review, the Company has not given any loan or providing any guarantee or security under section 186 of the Act.

During the year under review, the Company has not given any Loans and advances in the nature of loans to firms/ companies in which directors were interested.

The details of investments, as required under the provisions of section 186 of the Act or Para A of Schedule V of the SEBI LODR Regulations, are provided in Notes forming part of the Standalone Financial Statements, which form part of the Annual Report.

TRANSACTIONS WITH RELATED PARTIES

During the year under review, transactions entered into by the Company with related parties were in the ordinary course of business and on an arm's length basis. Particulars of contracts or arrangements with related parties as required under section 134(3)(h) of the Act, in the prescribed Form AOC-2 is given in Annexure E, which forms part of this Report.

Policy on dealing with related party transactions is available on the website of the Company and can be accessed at the link - https://www.credobrands.in/investors/corporate-governance/#acc_631

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as required under section 134(3)(m) of the Act read with rule 8 of the Companies (Accounts) Rules, 2014, relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, are given in Annexure F, which forms part of this Report.

DEPOSITS FROM PUBLIC

During the year under review, the Company has not accepted any deposits from public within the meaning of Sections 73 and 74 of the Act read together with the Companies (Acceptance of Deposits) Rules, 2014. Further, there was no amount on account of principal or interest on deposits from public was outstanding as on March 31, 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the year under review as stipulated under SEBI LODR Regulations is presented in a separate section forming part of this Report.

CORPORATE GOVERNANCE

Your Directors re-affirm their continued commitment to the best practices of Corporate Governance. Corporate Governance principles form an integral part of the core values of your Company. The Report on Corporate Governance for the year under review, as stipulated under Regulation 34 of the SEBI LODR Regulations, is presented in a separate Section, and forms an integral part of the Annual Report.

A certificate from M/s. M. Siroya and Company, Practicing Company Secretary regarding compliance of conditions of corporate governance as stipulated under Chapter IV read with relevant Schedule(s) to the SEBI LODR Regulations is annexed to the Corporate Governance Report.

INVESTORS EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to section 124 of the Act, the details of unclaimed dividends lying with the Company are as under:

Particulars	Date of declaration	Last date for claiming due amount
Dividend 2023-24	August 30, 2024	October 05, 2031
Dividend 2024-25	September 22, 2025	October 28, 2032

CREDIT RATINGS

The credit ratings assigned to the Company's long-term and short-term bank facility by CARE Ratings Limited (CARE) are as follows:

Credit Facilities	Rating
Long Term Bank Facilities	CARE A+; Stable (Single A Plus; Outlook: Stable)
Short Term Bank Facilities	CARE A1+ (A One Plus)

During the year under review, there were no change in the credit ratings assigned to the Company's long-term and short-term bank facilities.

DISCLOSURE REQUIREMENTS

- Maintenance of cost records and requirement of cost audit as prescribed under the provisions of section 148(1) of the Act are not applicable for the business activities carried out by the Company.
- The Managing Director or Whole-time Director of the Company did not receive any remuneration or commission from the subsidiary of the Company.
- Except as disclosed elsewhere in this Report, there are no material changes affecting the financial position of the Company, subsequent to the end of the financial year under review till the date of this Report.
- There were no events relating to non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to section 67(3) of the Act read with rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014.

- During the year under review, the Auditors have not reported any instances of fraud committed against the Company by its officers or employees under section 143 (12) of the Act, to the Audit Committee or the Board.
- There has been no change in the nature of business of the Company.
- There was no revision of financial statements and Board's Report of the Company during the year under review.
- Except as disclosed in this Report, no changes in the capital structure of the Company during the year.
- There was no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- There was no instance of onetime settlement with any Bank or Financial Institution.
- There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company and its operations in future.
- No issue of equity shares with differential rights as to dividend, voting or otherwise.
- No Issue of Shares (including Sweat Equity Shares) to employees of the Company under any Scheme save and except Credo Stock Option Plan - 2020 referred to in this Report.

ACKNOWLEDGEMENT

The Board places on record its sincere appreciation and thanks our customers, bankers, investors, shareholders, vendors and all other stakeholders for their continued support and patronage, extended to the Company.

For and on behalf of the Board of Directors

Kamal Khushlani
Chairman and Managing Director
DIN: 00638929

Mumbai
May 21, 2026

ANNEXURE A

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended March 31, 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Credo Brands Marketing Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Credo Brands Marketing Limited (hereinafter referred to as the "Company"/ "Credo") for the audit period covering the financial year ended March 31, 2026. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2026 according to the relevant and applicable provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder, as may be applicable;

(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,; and

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

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(d) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;

(f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable during the financial year);

(g) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable during the financial year);

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable during the financial year);

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable during the financial year).

(vi) As confirmed by the management, there are no other laws specifically applicable in relation to the business of the Company.

ANNEXURE A (CONTD.)

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

(i) The Equity Listing Agreements entered into by the Company with BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"); and

(ii) Secretarial Standards issued by the Institute of Company Secretaries of India, as amended from time to time.

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

Other statutes, Acts, Laws, Rules, Regulations, Guidelines and Standards etc., as applicable to the Company are given below:

(i) Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.

(ii) Acts as prescribed under Direct Tax and Indirect Tax;

(iii) Acts prescribed under prevention and control of pollution;

(iv) Acts prescribed under environmental protection;

(v) Land Revenues Act of respective states;

(vi) Stamp Acts and Registration Acts of respective States;

(vii) Labour Welfare Act of respective States; and

(viii) Such other Local laws etc. as may be applicable in respect of various offices of the Company.

We further report that the Board of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. During the year under review Mr. Amer Jaleel (DIN: 03194596) was appointed as an Independent Director of the Company for a second term of five consecutive years commencing from November 02, 2025 up to November 01, 2030 on the Board of the Company. There was no change in the composition of the whole-time key managerial personnel during the year under review.

Adequate notice was given to all the Directors to schedule the Board Meetings / Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except for the Unpublished Price Sensitive Information which were, pursuant to clause no. 1.3.7 of Secretarial Standard 1 ("SS 1"), circulated separately or placed at the Meetings of the Board and the Committees, after due compliance with the SS 1, in certain cases where meetings were held through shorter notice after due compliance of the applicable provisions and a system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation & deliberations at these Meetings.

During the period under review, decisions were carried through unanimously and no dissenting views were observed, while reviewing the minutes.

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

We further report that during the audit period, the Company has undertaken the following significant or material corporate event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

1. the Nomination and Remuneration Committee approved the allotment of 59,600 equity shares of ₹2/- each vide its circular resolution dated June 17, 2025 under the Credo Stock Option Plan 2020.

For Siroya and BA Associates
Company Secretaries

Mukesh Siroya
Partner
FCS No.: 5682; CP No.: 4157
ICSI Unique Code: P2019MH074300
PR No.: 3907/2023
UDIN: F005682H000426124

Date: May 21, 2026
Place: Mumbai

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

'Annexure A'

To,
The Members,
Credo Brands Marketing Limited.

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

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

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

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

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

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

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

For Siroya and BA Associates
Company Secretaries

Mukesh Siroya
Partner
FCS No.: 5682; CP No.: 4157
ICSI Unique Code: P2019MH074300
PR No.: 3907/2023
UDIN: F005682H000426124

Date: May 21, 2026
Place: Mumbai

ANNEXURE B

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES

For the Financial Year 2025-26

1. Brief outline on CSR Policy of the Company:

The Company is committed to making a positive contribution to society through high-impact, sustainable initiatives. It focuses on empowering communities, fostering inclusive socioeconomic growth, promoting healthcare, protecting the environment, supporting the development of backward regions, and uplifting marginalized and underprivileged sections of society. The CSR Policy of the Company outlines the above objectives and includes guiding principles for selection, implementation and monitoring of CSR activities, in line with Schedule VII of the Companies Act, 2013 ("the Act"), read with applicable rules thereto. During the year, the Company undertook CSR activities relating to promoting health care, including preventive health care, in furtherance of its commitment to improving the well-being of communities.

2. Composition of CSR Committee:

Sl. no.	Name of Director	Designation / nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Kamal Khushlani	Chairman (Managing Director)	2	2
2	Mrs. Poonam Khushlani	Member (Whole-time Director)	2	2
3	Mrs. Ramona Jogeshwar	Member (Independent Director)	2	2

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

i. **Web-link Composition of CSR committee:**
https://www.credobrands.in/investors/corporate-governance/#acc_759

ii. **Web-link CSR Policy:**
https://www.credobrands.in/investors/corporate-governance/#acc_631

iii. **Web-link CSR projects approved by the board: -** *Not Applicable*

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility policy) Rules, 2014 (the "Rules"), if applicable:

Not Applicable

(₹ in million)

5.	(a)	Average net profit of the Company as per sub-section (5) of section 135.	928.99
	(b)	Two percent of average net profit of the Company as per sub-section (5) of section 135.	18.58
	(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	0.00
	(d)	Amount required to be set-off for the financial year, if any.	0.00
	(e)	Total CSR obligation for the financial year [(b)+(c)-(d)].	18.58
6.	(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	18.60
	(b)	Amount spent in Administrative Overheads.	0.00
	(c)	Amount spent on Impact Assessment, if applicable.	0.00
	(d)	Total amount spent for the Financial Year [(a)+(b)+(c)].	18.60

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

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

(f) Excess amount for set off, if any

Sl. No.	Particular	(₹ in million)
(i)	Two percent of average net profit of the Company as per section 135(5)	18.58
(ii)	Total amount spent for the Financial Year	18.60
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.02
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.02

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

(₹ in million)

Sl. no.	Preceding financial Year(s)	Amount transferred to Unspent CSR account under section 135 (6)	Balance Amount in Unspent CSR Account under Section 135 (6)	Amount spent in the Financial Year	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		amount remaining to be spent in succeeding financial years	Deficiency, if any
					Amount	Date of transfer		
1	2024-25	Nil						
2	2023-24							
3	2022-23							

ANNEXURE B (CONTD.)

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/ acquired: Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity / Authority / Beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
Not Applicable							

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

For and on behalf of the Board of Directors

Kamal Khushlani
Chairman and Managing Director
Chairman - CSR Committee
DIN: 00638929

Mumbai, May 21, 2026

ANNEXURE C

DISCLOSURE WITH RESPECT TO CREDO STOCK OPTION PLAN – 2020 OF THE COMPANY AS AT MARCH 31, 2026

The Company has implemented Credo Stock Option Plan 2020 ("**Plan**"), pursuant to resolution passed by the Board of Directors on November 02, 2020 and Special resolution passed by the Shareholders at their Extraordinary General Meeting held on November 05, 2020. The Board has granted various Options to the eligible employees under the Plan.

Subsequently, the Shareholders of the Company have approved the issue and allotment of Bonus shares in the ratio of 3:1 on April 07, 2023 and thereafter Subdivision of one equity shares of ₹ 10 each into five equity shares of ₹ 2 each on April 18, 2023 ("Corporate Actions"), pursuant to which the issued, subscribed and paid-up equity share capital of the Company have been increased/given effect. Pursuant to the aforesaid Corporate Actions undertaken by the Company, appropriate adjustments were made to the stock options (which includes vested, unvested and yet to be granted stock options) and also to the respective exercise prices to the stock options, which have already been granted to eligible employees of the Company under the Plan and remain outstanding as on that date.

The Plan has further been revised in line with the applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, vide Special resolution passed by the Shareholders of the Company at their Extraordinary General Meeting held on July 04, 2023.

Post initial public offer of the Company, the Plan has also been ratified by the Shareholders, vide Special resolution passed by the Shareholders of the Company at their Annual General Meeting held on August 30, 2024.

Sl. No.	Particulars	
A.	**Disclosures in terms of the relevant Indian Accounting Standards, as prescribed from time to time**	
	Refer note. no. 37 in Notes forming part of the Standalone Financial Statement of the Company.	
B.	**Diluted Earnings Per Share (EPS) on issue of Shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with Indian Accounting Standard 33, as prescribed from time to time**	
	Refer note. no. 35 in Notes forming part of the Standalone Financial Statement of the Company.	
C.	**Description and general terms and conditions of Credo Stock Option Plan 2020**	
	(i) The description including terms and conditions of Credo Stock Option Plan 2020 is summarised as under:	
	a. Date of Shareholders' approval	November 05, 2020
	b. Total number of Options approved	5,107,300 (Fifty-One Lakh Seven Thousand and three hundred only) Options under Credo Stock Option Plan 2020 (after giving effect of Corporate Actions)
	c. Vesting requirements	Options granted under Credo Stock Option Plan 2020 would vest not less than 1 year and not more than 5 years from the date of grant of such Options.
	d. Exercise price or pricing formula	The Exercise Price would be decided by the Nomination and Remuneration Committee at the time of grant and shall not be less than the face value per share per Option. Exercise price for outstanding Options granted under the Plan is ₹ 31.35 per Option.

ANNEXURE C (CONTD.)

Sl. No.	Particulars			
		e.	Maximum term of Options granted	Ten years from the date of respective Grant(s).
		f.	Source of shares (primary, secondary or combination)	Primary
		g.	Variation in terms of Options	1. Appropriate adjustment has been made in no. of options and exercise price, in view of the aforesaid Corporate Actions undertaken by the Company. 2. The Plan has been revised in line with the applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
		h.	Method used to account for ESOS - Intrinsic or fair Value	Fair Value Method
		i.	Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the Options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed.	N.A.
	(ii)	**Option movement during the year under review**		
		a.	Number of Options outstanding at the beginning of the year	1,912,097
		b.	Number of Options granted during the year	Nil
		c.	Number of Options forfeited / lapsed / cancelled during the year	30,000
		d.	Number of Options vested during the year	100,000
		e.	Number of Options exercised during the year	59,600
		f.	Number of shares arising as a result of exercise of Options	59,600
		g.	Money realised by exercise of Options, if scheme is implemented directly by the Company (in ₹)	1868460.00
		h.	Loan repaid by the Trust during the year from exercise price received	N.A.
		i.	Number of Options outstanding (in force) at the end of the year	1,822,497
		j.	Number of Options exercisable at the end of the year	1,722,497

ANNEXURE C (CONTD.)

Sl. No.	Particulars		
D	**Employee wise details of options granted to:**		
	(i)	**key managerial personnel;**	
		Name of Employee:	None
		No. of Options	N.A.
	(ii)	**any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during the year under review.**	
		Name of Employee	None
		No. of Options	N.A.
	(iii)	**Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital(excluding outstanding warrants and conversions) of the Company at the time of grant;**	
		Name of Employee	None
		No. of Options	N.A.

For and on behalf of the Board of Directors

Kamal Khushlani
Chairman and Managing Director
DIN: 00638929

Mumbai, May 21, 2026

ANNEXURE D

THE INFORMATION UNDER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company and percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year ended March 31, 2026:

Name	Ratio to median remuneration	% increase / (decrease) in remuneration in the financial year
Independent Directors:		
Mr. Amer Jaleel	0.71	(4.76)
Mr. Paresh Bambolkar	0.57	(15.79)
Mrs. Ramona Jogeshwar	0.53	25.00
Non-executive Director:		
Mr. Manoj Nakra	0.67	(5.00)
Executive Directors:		
Mr. Kamal Khushlani	44.79	(10.86)
Mrs. Poonam Khushlani	7.19	-
Key Managerial persons:		
Mr. Rasik Mittal, Chief Financial Officer	NA	66.90
Mr. Sanjay Kumar Mutha, Company Secretary	NA	6.91

b. The percentage increase in the median remuneration of employees in the financial year is 3.46 %.

c. The number of permanent employees on the rolls of Company as on March 31, 2026 were 245.

d. During the year under review, an average percentage increase made in the salaries of employees other than the managerial personnel was 5% to 10% whereas the percentage of managerial remuneration was decreased by 9.5%. The remuneration of the Managing Director and Executive Director is decided based on the individual performance, Company performance, prevailing industry trends and benchmarks.

e. The Company affirms that the remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board of Directors

Kamal Khushlani
Chairman and Managing Director
DIN: 00638929

Mumbai, May 21, 2026

ANNEXURE E

FORM NO. AOC. 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and rule 8(2) of the Companies (Accounts) Rules, 2014)

This Form pertains to the 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 Act, 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
2. Details of material contracts or arrangements or transactions at arm's length basis:

   The details of material contracts or arrangements or transactions at arm's length basis entered into during the year ended March 31, 2026 are as follows:

Name 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 (₹ in crores)	Date(s) of approval by the Board, if any	Amount paid as advances, if any
SmartGlobal Solutions and Services; Proprietor - Mr. Manoj Nakra, Non-Executive Director (DIN:08566768) of the Company	Availing of advisory services for strengthening the Company's eCommerce capability and associated activities.	Period of 36 months w.e.f. April 01, 2026	During the tenure, the fee would be in the range of ₹ 3.00 Lakh to ₹ 4.00 Lakh per month, as may be mutually agreed with the consultant, plus out of pocket expenses at actual.	Approval of Board of Directors on May 22, 2025 and Shareholders on September 22, 2025	None

For and on behalf of the Board of Directors

Kamal Khushlani
Chairman and Managing Director
DIN: 00638929

Mumbai, May 21, 2026

ANNEXURE F

INFORMATION ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO, PURSUANT TO THE PROVISIONS OF SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014 IS PROVIDED AS UNDER:

(A) Conservation of Energy:

i. the steps taken or impact on conservation of energy ii. the steps taken by the Company for utilising alternate sources of energy	The operations of the Company are not energy-intensive; however, adequate measures have been implemented to reduce energy consumption wherever possible. These include the use of renewable energy, installation of temperature-controlled air conditioners, motion-sensor lighting, replacement of conventional lighting fixtures with LED lights, and maximising the use of natural light across offices, stores, and warehouse premises. The Company's warehouse of over 142,700 Sq. fts. is powered completely by solar energy and has been thoughtfully designed to maximise natural daylight and cross ventilation. In addition, the warehouse is equipped with motion-sensor lighting, further enhancing its overall energy efficiency.
iii. the capital investment on energy conservation equipment's	Nil

(B) Technology absorption:

i. the efforts made towards technology absorption ii. the benefits derived like product improvement, cost reduction, product development or import substitution	The Company continues to explore and avail the latest technology to improve the products and services to the customers.
iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) If not fully absorbed, areas where absorption has not taken place, and the reasons there of.	N.A.
iv. the expenditure incurred on Research and Development.	Nil

(C) Foreign Exchange Earnings and Outgo:

Foreign Exchange earnings and outgo during the year under review are as follows:

(₹ in million)

Particulars	Financial Year 2025-26	Financial Year 2024-25
Foreign Exchange Earnings	0.00	0.00
Foreign Exchange Outgo	9.16	7.17

For and on behalf of the Board of Directors

Kamal Khushlani
Chairman and Managing Director
DIN: 00638929

Mumbai, May 21, 2026

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy is based on the principles of good governance, integrity, transparency, fairness, responsibility and accountability. We strive to create an organisation working towards sustainable and profitable growth to create long-term value for our people, business partners, customers and shareholders.

The Company has adopted various codes / policies, pursuant to the Companies Act, 2013 ('the Act'), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The Company has also laid down a Code of Conduct for Directors and Senior Management Personnel of the Company and adopted Code of Conduct for Independent Directors as prescribed under Schedule IV of the Act. These Codes aim to ensure consistent standards of conduct and ethical business practices across the Company.

The Company has complied with all the provisions as stipulated in regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI LODR Regulations, during the financial year ended March 31, 2026.

BOARD OF DIRECTORS

The composition of the Board of Directors of the Company ("the Board") is in conformity with the requirement of regulation 17 of the SEBI LODR Regulations read with section 149 of the Act. As on March 31, 2026, the Board of Directors of the Company comprises of six Directors.

The Board consists of a balanced combination of Executive Directors, Non-Executive Director(s), Independent Directors including Independent Woman Director. The Chairman of the Board is Executive Director and the number of Independent Directors is 50% of the total number of Directors. The number of Non- Executive Directors (NEDs) are more than one-half of the total number of Directors.

None of the Directors on the Board is a Director in more than ten public limited companies (as specified in section 165 of the Act) and Director in more than seven equity listed entities or acts as an Independent Director in more than seven listed entities or three listed entities, in case he/she serves as a Whole-time Director/ Managing Director in any listed entity (as specified in Regulation 17A of the SEBI LODR Regulations).

None of the Directors on the Board is a member of more than ten committees or Chairperson of more than five committees, as specified in regulation 26 of SEBI LODR Regulations, across all the public companies in which he/she is a director. Further, the maximum tenure of Independent Directors is in line with the provisions of sections 149(10) and 149(11) of the Act and Rules made thereunder.

The information on composition of the Board, Category and their Directorships and Committees' Membership / Chairpersonship across all the companies in which they are Directors, as on March 31, 2026 is as under:

Name of Director	DIN	Category	No. of Directorships*		**No. of Memberships / Chairpersonships of Committees in public companies	
			Public	Private / Non profit	Memberships	Chairpersonships
Mr. Kamal Khushlani	00638929	Chairman and Managing Director (Promoter)	1	0	0	0
Mrs. Poonam Khushlani	01179171	Whole-time Director (Promoter)	1	0	1	0
Dr. Manoj Nakra	08566768	Non-Executive Director	2	1	2	1
Mr. Amer Jaleel	03194596	Independent Director	1	1	1	0
Mr. Paresh Bambolkar	00260136	Independent Director	1	1	2	1
Mrs. Ramona Jogeshwar	10100012	Independent Director	2	0	2	1

* No. of directorships held by the Directors does not include directorships in foreign companies, if any.
** In accordance with regulation 26 of the SEBI LODR Regulations, Memberships / Chairmanships of Audit Committees and Stakeholders' Relationship Committees alone in all public limited companies have been considered.

The details of directorships held by Directors in other listed entities as on March 31, 2026 are as under:

Name of Director	Name of the other listed entities where he/ she is a director	Category of directorship
Dr. Manoj Nakra	• Arvind Fashions Limited	Independent

The details of Shares held by the Directors in the Company as on March 31, 2026 are as follows:

Name of Director	Number of Shares held
Mr. Kamal Khushlani	18,309,220
Mrs. Poonam Khushlani	14,039,480

Note: Except Shares held by the Directors as above, none of the Non-executive directors holds shares/ convertible instruments in the Company. The Company has not issued any convertible instruments.

The details of the familiarisation program of the Independent Directors are available on the website of the Company at the link https://www.credobrands.in/investors/statutory-documents/#acc_1142.

In terms of regulation 25(8) of SEBI LODR Regulations, the Independent Directors of the Company have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

The Board of Directors, based on the declarations received from the Independent Directors, have confirmed that they meet the criteria of independence as mentioned under regulation 16(1)(b) of the SEBI LODR Regulations read with section 149(6) of the Act along with rules framed thereunder and that they are independent of the management.

BOARD MEETINGS

During the year under review, five Board meetings were held on May 22, 2025, July 31, 2025, November 07, 2025, February 09, 2026 and March 18, 2026.

The gap between two meetings did not exceed one hundred and twenty days as prescribed under the Act and in the SEBI LODR Regulations. Twenty Sixth Annual General Meeting (AGM) of the Company was held on September 22, 2025.

The attendance of Directors at the above Board Meetings and AGM is as under:

Name of Director	No. of Board Meetings		AGM
	Held	Attended	
Mr. Kamal Khushlani	5	5	Yes
Mrs. Poonam Khushlani	5	5	Yes
Dr. Manoj Nakra	5	5	Yes
Mr. Amer Jaleel	5	5	Yes
Mr. Paresh Bambolkar	5	5	Yes
Mrs. Ramona Jogeshwar	5	5	Yes

MATRIX SETTING OUT SKILLS/ EXPERTISE/ COMPETENCE AS IDENTIFIED BY THE BOARD

The Company's Board is diversified and well constituted and having qualified, experienced, competent including renowned persons from diverse fields. The Board evaluates its composition and effectiveness to identify not only the individual capabilities across the Board members, but also to review the qualitative aspects of effectiveness, the dynamics, relationship and overall success of the Board as a team.

The Board has identified the core skills/ expertise/ competence matrix which provides a guide as to the skills, knowledge, experience and other criteria appropriate in the context of its business(es) and sector(s), for the Board to function effectively. The table below summarises the key skills and area of expertise of each directors:

Name of Director	Business Experience	Financial and Risk oversight	Technology	Sales and Marketing	Governance & compliance oversight
Mr. Kamal Khushlani	✓	✓	✓	✓	✓
Mrs. Poonam Khushlani	✓	✓	-	✓	✓
Dr. Manoj Nakra	✓	✓	✓	✓	✓
Mr. Amer Jaleel	✓	✓	✓	✓	✓
Mr. Paresh Bambolkar	✓	✓	✓	✓	✓
Mrs. Ramona Jogeshwar	✓	✓	-	✓	✓

BOARD EVALUATION

The Board carries out an annual assessment of its own performance, including with respect to their composition, diversity and how effectively their members work together, with the aim of helping to improve the effectiveness of both the Board and the Committees.

Further, the Company has also devised a process for performance evaluation of Independent Directors, the Board, Committees and other individual Directors. The Non-executive Independent Directors were evaluated on the criteria such as engagement, leadership, analysis, quality of decision making, interactions, integrity, corporate governance, responsibility towards stakeholders, contribution, attendance, inter-personal relationship, etc.

AUDIT COMMITTEE

The Audit Committee of the Company comprises of three Directors, out of whom two are Independent Directors. Mr. Paresh Bambolkar, Chairman of the Committee is an Independent Director. All Members of the Committee possess accounting and financial management expertise. The Chairman of the Committee was present at the Twenty Sixth Annual General Meeting of the Company held on September 22, 2025.

The Company Secretary functions as Secretary to the Committee.

Quarterly Reports are sent to the members of the Audit Committee on matters relating to the Insider Trading Code. The Committee invites such of the executives as it considers appropriate, representatives of the statutory auditors and internal auditors, to be present at its meetings.

During the year under review, five meetings of the Committee were held on May 22, 2025, July 31, 2025, November 07, 2025, February 09, 2026 and March 18, 2026. The gap between two Meetings did not exceed one hundred and twenty days as prescribed in the SEBI LODR Regulations.

The composition of the Committee and the attendance of the Members at the above meetings are as under:

Name of Director	Designation	No. of Meetings	
		Held	Attended
Mr. Paresh Bambolkar	Chairman	5	5
Mr. Amer Jaleel	Member	5	5
Dr. Manoj Nakra	Member	5	5

The Committee's composition meets with the requirements of section 177 of the Act and regulation 18 of the SEBI LODR Regulations.

TERMS OF REFERENCE

The Committee has been mandated to comply with the terms of reference as specified in Part C of Schedule II of the SEBI LODR Regulations, section 177 of the Act and other terms of reference, as may be assigned to the Committee from time to time by the Board. Terms of reference of the Committee are as under:

A. Powers of Audit Committee

The Audit Committee shall have powers, including the following:

(1) to investigate any activity within its terms of reference;

(2) to seek information from any employee;

(3) to obtain outside legal or other professional advice;

(4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and

(5) such other powers as may be prescribed under the Companies Act and SEBI LODR Regulations.

B. Role of Audit Committee

The role of the Audit Committee shall include the following:

(1) oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;

(2) recommendation for appointment, re- appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;

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

(4) formulation of a policy on related party transactions, which shall include materiality of related party transactions;

(5) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

(6) examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

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

   b. Changes, if any, in accounting policies and practices and reasons for the same;

   c. Major accounting entries involving estimates based on the exercise of judgment by management;

   d. Significant adjustments made in the financial statements arising out of audit findings;

   e. Compliance with listing and other legal requirements relating to financial statements;

   f. Disclosure of any related party transactions; and

   g. Modified opinion(s) in the draft audit report.

(7) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

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

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

(10) approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

   Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI LODR Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.

(11) scrutiny of inter-corporate loans and investments;

(12) valuation of undertakings or assets of the Company, wherever it is necessary;

(13) evaluation of internal financial controls and risk management systems;

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

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

(16) discussion with internal auditors of any significant findings and follow up there on;

(17) 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;

(18) 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;

(19) recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;

(20) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(21) reviewing the functioning of the whistle blower mechanism;

(22) monitoring the end use of funds raised through public offers and related matters;

(23) overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimisation of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;

(24) approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

(25) Carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI LODR Regulations or any other applicable law, as and when amended from time to time;

(26) reviewing the utilisation of loans and/or advances from / investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing;

(27) Considering and commenting on rationale, cost- benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders; and

(28) Carrying out such other functions as may be specified by the Board of Directors from time to time or specified/provided under the Companies Act or the SEBI LODR Regulations or by any other regulatory authority.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company comprises of three Non-Executive Directors, out of whom two are Independent Directors. Mr. Amer Jaleel, Chairman of the Committee is an Independent Director.

During the year under review, three meetings of the Committee was held on May 22, 2025, July 31, 2025 and March 18, 2026.

The composition of the Committee and the attendance of the Members at the above meeting are as under:

Name of Director	Designation	No. of Meetings	
		Held	Attended
Mr. Amer Jaleel	Chairman	3	3
Dr. Manoj Nakra	Member	3	3
Mrs. Ramona Jogeshwar	Member	3	3

The Committee's composition meets with the requirements of section 178(1) of the Act and regulation 19 of the SEBI LODR Regulations.

TERMS OF REFERENCE

The Committee has been mandated to comply with the terms of reference as specified in Part D of the Schedule II of the SEBI LODR Regulations, section 178 of the Act, the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and as may be assigned by the Board from time to time.

The role of the Committee inter-alia includes the following:

(1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the "Board" or "Board of Directors") a policy relating to the remuneration of the directors, key managerial personnel and other employees ("Remuneration Policy").

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

(i) for appointment of an independent director, it shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

a) use the services of an external agencies, if required;

b) consider candidates from a wide range of backgrounds, having due regard to diversity; and

c) consider the time commitments of the candidates.

(ii) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors and the quality required to run our Company successfully;

(iii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iv) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

(2) Formulation of criteria for evaluation of independent directors and the Board;

(3) Devising a policy on diversity of the Board;

(4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent director);

(5) Analysing, monitoring and reviewing various human resource and compensation matters;

(6) Deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(7) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

(8) Reviewing and approving the Company's compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(9) Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;

Explanation: The expression senior management means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive Directors, including the functional heads.

(10) Reviewing and approving the Company's compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(11) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;

(12) Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

(a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and

(b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.

(13) Carrying out such other functions as may be specified by the Board of Directors from time to time or specified/ provided under the Companies Act or the SEBI LODR Regulations or by any other regulatory authority.

REMUNERATION OF DIRECTOR

Remuneration Policy

The Company believes that human resource is the key for the continuous growth and development of the Company. The Company's remuneration policy is designed to attract, retain and motivate employees by offering appropriate remuneration packages and retiral benefits and also rewarding performance of key employees by offering employee stock options to contribute and participate in the overall corporate growth, profitability and financial success of the organisation. The remuneration policy is in consonance with the existing industry practice.

Remuneration policy for Executive Directors:

The Company pays remuneration inter-alia by way of salary, benefits, perquisites and allowances (fixed component) and commission or performance bonus (variable component) to its Managing Director or Whole-time Director, as may be approved by the Board and the Members of the Company. While determining the remuneration package of the Executive

Directors, the Nomination and Remuneration Committee (NRC) evaluates the remuneration paid by comparable organisation and thereafter makes its recommendation to the Board. Annual increments are decided by the NRC within the scale of remuneration approved by the Members of the Company. NRC also reviews and decides on the quantum of commission or performance bonus payable to the Managing Director or the Whole-time Director as per terms of appointment and based on the performance of the individual as well as the Company.

Criteria of making payments to Non-Executive Directors:

The Non-Executive Directors will be entitled to sitting fees for attending to the meetings of the Board and / or Committees of the Board. The sitting fees for attending meetings shall be fixed by the Board which shall be within the overall limit as specified in the Act as amended from time to time. Also, the Company will either pay or reimburse for all reasonable expenses incurred by the Non-Executive Directors in performing their duties at the office. If approved by the shareholders of the Company, Non- Executive Directors could also be entitled to receive the commission on profits of the Company.

The Company has also devised a process for performance evaluation of Independent Directors, the Board, Committees and other individual Directors.

Managerial Renumeration

a. **Executive Directors**

The remuneration paid to the Managing Director and Whole-time Director for the year under review is given below:

(₹ in million)

Name	Salary (basic)	Performance Bonus / Commission	Company's Contribution to Funds	Perquisites, Allowances and others	Total	Total Contract Period	Notice period in months	Stock Options granted
Mr. Kamal Khushlani	12.00	13.06	-	6.53	31.59	March 08, 2022 to March 07, 2027	-	N.A.
Mrs. Poonam Khushlani	5.04	-	-	0.03	5.07	May 09, 2023 to May 08, 2028	-	N.A.

Notes: 1. All the above components of remuneration, except performance bonus / commission, are fixed in nature.
2. There is no specific provision for payment of severance fees and notice period.

b. **Non-Executive Directors**

The details of sitting fees paid during the financial year 2025-26 to Non-Executive Directors are as under:

Name of Director	Category	Sitting Fees (₹ in million)
Dr. Manoj Nakra	Non-executive	0.48
Mr. Amer Jaleel	Independent	0.50
Mr. Paresh Bambolkar	Independent	0.40
Mrs. Ramona Jogeshwar	Independent	0.38

Apart from reimbursement of expenses incurred in the discharge of their duties and the remuneration for Non- Executive Directors as entitled under the Act, none of Independent Directors has any other material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management, which in their judgment would affect their independence.

Mrs. Poonam Khushlani is spouse of Mr. Kamal Khushlani. Except them, none of the Directors of the Company is inter-se related to each other.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee of the Company comprises of Dr. Manoj Nakra, Chairman of the Committee, Mr. Paresh Bambolkar and Mrs. Poonam Khushlani as the other Members of the Committee.

Mr. Sanjay Kumar Mutha, Company Secretary of the Company is the Compliance Officer of the Company.

During the year under review, one meeting of the Committee was held on May 22, 2025.

The attendance of the Members at the above meeting(s) is as under:

Name of Director	Designation	No. of Meetings	
		Held	Attended
Dr. Manoj Nakra	Chairman	1	1
Mr. Paresh Bambolkar	Member	1	1
Mrs. Poonam Khushlani	Member	1	1

The Committee's composition is in line with the provisions of section 178(5) of the Act and regulation 20 of the SEBI LODR Regulations.

TERMS OF REFERENCE

The role of the Stakeholders Relationship Committee inter- alia included the following:

(1) To specifically look into various aspects of interests of shareholders, debentures holders and other security holders;

(2) Resolving the grievances of the security holders of the listed entity including complaints related to transfer of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, non- receipt of annual report or balance sheet, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;

(3) Reviewing of measures taken for effective exercise of voting rights by shareholders;

(4) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

(5) Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re- materialisation of shares, split and issue of duplicate/ consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

(6) Reviewing of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;

(7) Reviewing of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Company; and

(8) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI LODR Regulations, or by any other regulatory authority.

INVESTORS' GRIEVANCE REDRESSAL

The number of complaints received and resolved during the year under review are as under:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
0	0	0	0

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company's Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons and immediate relatives of Designated Persons ("Code"), as adopted by the Company, inter-alia, prohibits dealing in the securities of the Company while in possession of unpublished price sensitive information in relation to the Company.

CODE OF FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

The Board has also laid down the Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information ('Fair Disclosure Code') in accordance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, with a view to regulate communication of unpublished price sensitive information for any purpose other than the legitimate purpose as defined under the said Fair Disclosure Code. The Fair Disclosure Code is posted on the Company's website at the weblink - https://www.credobrands.in/investors/corporate-governance/#acc_631

INDEPENDENT DIRECTORS' MEETING

During the year under review, a separate meeting of Independent Directors of the Company was held on May 22, 2025. The said meeting was attended by all the Independent Directors of the Company.

The Independent Directors at their meeting held on May 22, 2025, based on the feedback received from the Directors, reviewed the performance evaluation of directors, the Board as a whole, the Chairman of the Company after taking into account the views of executive directors and non-executive directors of the Company and also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee of the Company constituted under the provisions of section 135 of the Act, comprises of Mr. Kamal Khushlani as a Chairman, Mrs. Poonam Khushlani and Mrs. Ramona Jogeshwar as the other Members of the Committee. During the year under review, two meetings of the Committee were held on May 22, 2025 and October 10, 2025.

The Committee functions in accordance with the terms of reference as specified under the Act and as may be specified by the Board from time to time, which inter-alia includes:

(i) formulate the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended;

(ii) recommend the amount of expenditure to be incurred on the activities referred to in (i) above;

(iii) monitor the implementation of the Corporate Social Responsibility Policy from time to time, and make any revisions therein as and when decided by the Board;

(iv) identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

(v) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and the distribution of the same to various corporate social responsibility programs undertaken by the Company;

(vi) delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

(vii) review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;

(viii) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time; and

(ix) exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of section 135 of the Companies Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 or other applicable laws.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee comprises of Mr. Kamal Khushlani, Chairman of the Committee, Mr. Amer Jaleel, Independent Director and Mr. Rasik Mittal, Chief Financial Officer, as other members of the Committee.

During the year under review, two meetings of the Committees were held i.e. on October 13, 2025 and March 11, 2026. The attendance of the Members at the above meeting(s) is as under:

Name of Director	Designation	No. of Meetings	
		Held	Attended
Mr. Kamal Khushlani	Chairman	2	2
Mr. Amer Jaleel	Member	2	2
Mr. Rasik Mittal	Member	2	2

The Committee functions in accordance with the terms of reference as specified by the Board from time to time, which inter- alia includes:

1. To formulate a detailed risk management policy which shall include:

    (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

(b) Measures for risk mitigation including systems and processes for internal control of identified risks.

(c) Business continuity plan.

2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
7. To review and assess the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof;
8. To review and recommend potential risk involved in any new business plans and processes;
9. To review the Company's risk-reward performance to align with the Company's overall policy objectives;
10. To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.
11. Advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy;
12. Coordination of activities with other committee, in instances where there is any overlap with the activities of such committees as per the framework laid down by the Board of Directors; and
13. Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or the SEBI LODR Regulations or by any other regulatory authority.

The Audit Committee and the Board of Directors frame, implement and monitor the risk management plan and periodically review the risk assessment and minimisation procedures.

The risk management framework adopted by the Company is discussed in detail in the Board report and Management Discussion and Analysis forming part of the Annual Report.

COMMITTEE OF DIRECTORS

The Committee of Directors comprises of Mr. Kamal Khushlani and Mrs. Poonam Khushlani. The Board has delegated powers to the Committee of Directors to carry out various activities for day-to-day operations of the Company and other specific activities as may be assigned by the Board of Directors from time to time. The Committee met as and when required to carry out various activities for day-to-day operations of the Company.

SENIOR MANAGEMENT

During the year under review, except resignation of Mr. Biswajeet Ghosal as Vice President, Retail and Business Development with effect from August 07, 2025, there was no change in the senior management team.

All Members of the Senior Management have confirmed to the Board that there is no material, financial and/or commercial transactions between them and the Company, which could have any potential conflict of interest with the Company at large.

GENERAL BODY MEETINGS

Annual General Meeting

The details of the last three Annual General Meetings (AGM) of the Company are as follows:

Year	Date and Time of AGM	Venue	Special Resolutions passed
2024-25	September 22, 2025 at 12:30 pm	Through video conferencing ("VC")/ other audio-visual means ("OAVM").	• Re-appointment of Mr. Amer Jaleel (DIN: 03194596) as an Independent Director of the Company
2023-24	August 30, 2024 at 12:30 pm	Through video conferencing ("VC")/ other audio-visual means ("OAVM").	• Ratification of CREDO STOCK OPTION PLAN 2020
2022-23	September 14, 2023 at 6:00 pm	Through video conferencing ("VC")/ other audio-visual means ("OAVM").	• None

Extraordinary General Meeting

No Extraordinary General Meeting (EGM) of the Company was held, during the year under review.

Postal Ballot

No business was carried out through postal ballot, during the year under review.

MEANS OF COMMUNICATION

The Company regularly submits quarterly/half yearly/ annual Financial Results in the prescribed format, to the Stock Exchanges, as soon as these are approved by the Board. The Financial Results in the prescribed format, are published in the leading English and Marathi dailies, viz. "Business Standard" (English) and "Mumbai Lakshdeep" (Marathi).

The Company's Annual Report, Financial Results, Shareholding Pattern and official news releases are displayed on the Company's website www.credobrands.in and also submitted to the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) for disseminating on their website.

Analyst/Institutional Investors Presentations

The Company hosts post earnings calls with institutional investors/ analyst post announcement of quarterly/half-yearly and the audited financial results and also participate in Analyst/ Institutional Investors meeting. These presentations and other disclosures which are required to be disseminated are filed electronically with the Stock Exchanges as well as uploaded on the Company's website viz.: https://www.credobrands.in. In addition to the above, the Company also uploads transcripts of post earnings/quarterly calls and Audio-Visual recordings on the website of the Company.

All filing, disclosures and communications to Stock Exchanges are made electronically through their specific web portals to disseminate such information and make such information generally available.

GENERAL SHAREHOLDERS INFORMATION

Date, Time and Venue of the Twenty Seventh Annual General Meeting:

Friday, September 11, 2026

Time: 12:30 pm.

Venue: Meeting is being conducted through VC/OAVM.

Financial Year

The financial year covers the period from April 01 of every year to March 31 of the next year.

Dividend Payment Date

The Board of Directors of the Company has recommended a dividend of ₹ 2.00 (100%) per Equity Share of ₹ 2.00 each of the Company. The proposed dividend, if declared, at the forthcoming Annual General Meeting, will be paid/ credited within a period of 30 days from the date of declaration, to those Members whose names appear in the Company's Register of Members or in the list of beneficial owners as per the particulars to be furnished by the Depositories as on the record date, as may be fixed by the Company.

Listing of Equity Shares on Stock Exchanges

The Equity Shares of the Company are listed on the following Stock Exchanges:

- BSE Limited (BSE)
  Phiroze Jee Jee Bhoy Towers, Dalal Street, Mumbai - 400 001.

- National Stock Exchange of India Limited (NSE)
  Exchange Plaza, C - 1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051.

Listing Fees

The requisite Listing Fees have been paid to both the Stock Exchanges where the securities of the Company are listed.

Credit ratings

During the year under review, CARE Ratings Limited ("CARE") have reaffirmed their ratings assigned to the Company's Long term and Short term Bank facilities. The Rating assigned to the Company's bank facilities as on March 31, 2026 are as under:

Sl. No.	Type/Facility	Rating
1.	Long Term Bank Facilities	CARE A+; Stable (Single A Plus; Outlook: Stable)
2.	Short Term Bank Facilities	CARE A1+ (A One Plus)

During the year under review, there were no change in the credit ratings assigned to the Company's bank facilities.

Corporate Identification Number (CIN)

The Company's CIN as allotted by the Ministry of Corporate Affairs is L18101MH1999PLC119669.

Share Transfer System

In terms of the SEBI LODR Regulations, securities of listed companies can only be transferred in dematerialised form, except in case of transmission or transposition of securities. Transfers of equity shares in dematerialised form are effected through the depositories with no involvement of the Company. In case of other matters relating to Shares, the Stakeholders' Relationship Committee meet as and when required to consider and attend Investors' grievances.

De-materialisation of Shares and liquidity

The Company has entered into agreements with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). International Securities Identification Number (ISIN) allotted to the equity shares of the Company is INE220Q01020. Entire shareholding of Promoters and Promoter Group is in dematerialised form.

Status of Dematerialisation of Equity Shares as on March 31, 2026 is as under:

Particulars	No. of Shares	% of total Shares
NSDL	50,297,276	76.94
CDSL	15,072,827	23.06
Total	65,370,103	**100.00**

The Company's shares are liquid and actively traded on both the stock exchanges i.e. BSE and NSE.

Distribution of Shareholding as on March 31, 2026

No. of Shares	No. of Shareholders	% of total Shareholders	No. of Shares	% of total Shares
1-500	67,393	91.90	5,869,276	8.98
501-1,000	3,306	4.51	2,520,377	3.86
1,001-2,000	1,396	1.90	2,074,913	3.17
2,001-3,000	451	0.62	1,143,817	1.75
3,001-4,000	199	0.27	709,468	1.08
4,001-5,000	172	0.23	815,155	1.25
5,001-10,000	255	0.35	1,859,579	2.84
10,000 and above	164	0.22	50,377,518	77.07
Total	73,336	100.00	65,370,103	100.00

Shareholding Pattern as on March 31, 2026

Category	No. of Shares	% of total Shares
Promoters and Promoter Group	35,960,700	55.01
Mutual Funds	619,390	0.95
Alternate Investment Funds	1,091,314	1.67
Insurance Companies	483,158	0.74
Foreign Portfolio Investors	300,293	0.46
Non Resident Indians	299,588	0.46
Non Resident (Non Repatriable)	109,959	0.17
Bodies Corporate	6,290,298	9.62

Category	No. of Shares	% of total Shares
Body Corporate – LLP	203,330	0.31
Indian Public (Individual)	18,665,950	28.55
Key Managerial Persons	155,572	0.24
Clearing Members	215,801	0.33
Hindu Undivided Family	974,750	1.49
Total	**65,370,103**	**100.00**

Outstanding Global Depository Receipts / American Depository Receipts / Warrants or any convertible instruments, conversion date and likely impact on equity.

The Company has not issued any Global Depository Receipts (GDRs) / American Depository Receipts (ADRs)/Warrants or any convertible instruments during the year under review. There were no outstanding GDRs/ADRs/Warrants or any convertible instruments as on March 31, 2026.

Trading of security

The Company's equity shares have been listed and traded on BSE and NSE, effective from December 27, 2023. No securities of the Company were suspended from trading by any Stock Exchange, during the year under review.

Unclaimed Shares

There are no shares lying in the demat suspense account or unclaimed suspense account as on March 31, 2026, hence, no disclosure was required with respect to demat suspense account/ unclaimed suspense account, in accordance with the requirement of regulation 34(3) and Part F of Schedule V of the SEBI LODR Regulations.

Unpaid / unclaimed dividends

Pursuant to section 124 of the Act, dividends that are unclaimed for a period of seven years are required to be transferred to the Investor Education and Protection Fund, established by the Government of India.

The details of unpaid / unclaimed dividend lying with the Company are as under:

Particulars	Date of declaration	Last date for claiming due amount
Dividend 2023-24	August 30, 2024	October 05, 2031
Dividend 2024-25	September 22, 2025	October 28, 2032

Plant Locations

In view of the nature of the Company's business i.e. fashion retail, the Company operates through various stores across India.

Address for Correspondence

Shareholders may correspondent with the Registrar and Transfer Agent at:

MUFG Intime India Private Limited:
Unit: Credo Brands Marketing Limited
C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg,
Vikhroli (West), Mumbai – 400 083
Tel: +91 810 811 8484 | Fax: +91-22-6656 8494
Email id: Investor.helpdesk@in.mpms.mufg.com
Website : https://in.mpms.mufg.com

For securities held in demat form

The investors may write to the concerned Depository Participant(s) of the Investors or the Registrar and Transfer Agent of the Company.

Registered Office of the Company:

The Company Secretary
Credo Brands Marketing Limited
B 8, MIDC Central Road, Marol, Next To MIDC Police Station,
Andheri (E), Mumbai - 400093
Tel: 91 22 61417200
Email: investorrelations@mufti.in
Website: www.credobrands.in

DISCLOSURES

Related Party Transactions

During the year under review, there were no materially significant transactions entered into with the related parties that may have potential conflict with the interests of the Company at large. All related party transactions were reviewed and approved by the Audit Committee and were entered into in the ordinary course of business and at arm's length basis. Disclosure of transactions with related parties (including entity ,if any belonging to the Promoter/Promoter

Group which hold(s) 10% or more shareholding in the Company) as required under SEBI LODR Regulations and the applicable Accounting Standards have been given in the note no. 39 in the Notes forming part of the Financial Statements. Policy on dealing with related party transactions is available on the website of the Company at the link - https://www.credobrands.in/investors/corporate-governance/#acc_631

Details of non-compliance

During the last three years, there were no instances of non- compliance by the Company and no penalty or strictures were imposed on the Company by the Stock Exchange(s) or the Securities and Exchange Board of India or any statutory authority, on any matter related to the capital markets.

Vigil Mechanism and Whistle Blower Policy

The Company has Vigil Mechanism and Whistle Blower Policy for Stakeholders to raise genuine concerns of any violations of legal or regulatory requirements, actual or suspected fraud or violation of the Company's code of conduct. This Policy inter-alia provides to a Whistle Blower a direct access to the Chairman of the Audit Committee. It is affirmed that no personnel have been denied access to the Audit Committee.

Subsidiary Company

KAPS Mercantile Private Limited ("KMPL", a wholly owned subsidiary of the Company) had filed an application for striking off it's name from the Register of Companies, under section 248(2) of the Act, on January 21, 2025.

During the year under review, the name of KAPS Mercantile Private Limited ("KMPL", a wholly owned subsidiary of the Company) has been struck off from the Register of Companies w.e.f. April 23, 2025 and consequently, KMPL was dissolved.

The Company's policy for determining material subsidiaries of the Company is available on the website of the Company at the link https://www.credobrands. in/investors/corporate-governance/#acc_631

Commodity price risk or foreign exchange risk and hedging activities

The Company does not have any exposure hedged through commodity derivatives and hence, the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be made.

The details of foreign currency exposure are disclosed in note no. 40.3.1.4 in the Notes forming part of the Financial Statements.

Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under regulation 32 (7A) of the SEBI LODR Regulations

During the year under review, no funds have been raised through preferential allotment or qualified institutions placement as specified under regulation 32 (7A) of the SEBI LODR Regulations.

Particulars of loans/advances/investments pursuant to Para A of Schedule V of the SEBI LODR Regulations:

During the year under review, the Company do not have any holding / subsidiary company. Hence, no particulars of loans/advances/investments are required to be disclosed pursuant to Para A (2) of Schedule V of the SEBI LODR Regulations in the Annual Report.

Disclosure of Loans and advances:

During the year under review, the Company has not given any loans and advances in the nature of loans to any firms / companies in which directors are interested.

Certificate on Non-disqualification of Directors

The Company has received a certificate from Siroya and BA Associates, Company Secretaries, certifying that none of the Directors on the Board of the Company has 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.

Recommendations of the Committees of the Board

During the year under review, there was no such instances, where the Board has not accepted any recommendations of any Committee of the Board.

Disclosure of Accounting Treatment

During the year under review, the Company followed the Indian Accounting Standards as specified under section 133 of the Act, in the preparation of its financial statements.

Management

Management Discussion and Analysis (MDA) forms part of the Annual Report.

CEO/CFO Certification

The Managing Director and the Chief Financial Officer of the Company have furnished their Certificate to the Board of Directors of the Company, regarding financial statements and the cash flow statement for the financial year ended March 31, 2026 as required under regulation 17(8) of SEBI LODR Regulations.

Code of Conduct for Directors and Senior Management Personnel

All the Board Members and Senior Management Personnel have affirmed compliance with this Code, during the year under review. A declaration signed by the Managing Director to this effect is attached at the end of this Report. This Code is available on the Company's website at the link https://www.credobrands.in/investors/corporate-governance/#acc_631.

Total fees paid to Statutory Auditors

The details of total fees for all services paid by the Company and its subsidiary, on a consolidated basis, to the Statutory Auditors of the Company and all entities in the network firm/ network entity of which the Statutory Auditors is a part, is given below:

Particulars	**(₹ in million)**
Audit fees (includes audit related services)	2.70
Other services	0.05
Total	**2.75**

Note: out of pocket expenses were reimbursed at actual.

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

Number of complaints filed during the financial year	Number of complaints disposed of during the financial year	Number of complaints pending as on end of the financial year
Nil	Nil	Nil

Directors and Officers Liability Insurance:

As per the provisions of the Act and in compliance with Regulation 25(10) of the SEBI LODR Regulations, the Company has taken a Directors and Officers Liability Insurance (D&O) on behalf of all Directors including Independent Directors and Officers of the Company for indemnifying each of them against any personal liability coming onto them whilst discharging fiduciary responsibilities in relation to the Company.

Disclosure of certain type of agreements binding listed entities Schedule III, Para A, Clause 5A of SEBI LODR Regulations

There are no agreement impacting management or control of the Company or imposing any restriction or create any liability upon the Company.

Compliance with Mandatory requirements

Your Company has complied with all the mandatory requirements of the SEBI LODR Regulations relating to Corporate Governance report.

Compliance with discretionary requirements

The Board: The Company has Mrs. Ramona Jogeshwar as women Independent Director on its Board of Directors.

Shareholders' Rights: Quarterly, half yearly and annual financial results of the Company are furnished to the Stock Exchanges and are also published in the newspapers and uploaded on website of the Company. Significant events / Investor Presentations are also posted on the Company's website under the Investors section. Hence, no half-yearly declaration of financial performance including summary of the significant events in last six-months, were sent to each of household of Shareholders.

Modified opinion(s) in audit report: During the year under review, the Company has unmodified audit opinion on the Company's financial statements. The Company continues to adopt best practices and has ensured a track record of financial statements with unmodified audit opinion.

Reporting of Internal Auditor: Internal Auditors report to the Audit Committee and present their quarterly Internal Audit Report and their observations at the meeting of the Audit Committee.

Risk Management: The Company has constituted a Risk Management Committee with the composition, roles and responsibilities as specified in regulation 21 of the SEBI LODR Regulations.

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Credo Brands Marketing Limited

We have examined the compliance of conditions of Corporate Governance by M/s. Credo Brands Marketing Limited ('the Company') for the financial year ended March 31, 2026, as stipulated in regulation 17 to 27 and clauses (b) to (i) and (t) of regulation 46(2) and paragraph C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

We have been requested by the management of the Company to provide a certificate on compliance of corporate governance under the relevant provisions of the Listing Regulations.

The compliance with the conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to review procedures and implementation thereof, adopted by the Company for ensuring the compliance. 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 in the aforesaid Listing Regulations, as amended from time to time.

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

For **M Siroya and Company**
Company Secretaries

Mukesh Siroya
Proprietor
FCS No.: 5682; CP No.: 4157
ICSI Unique Code: S2003MH061300
PR No.: 7657/2026
UDIN: F005682H000426465

Date: May 21, 2026
Place: Mumbai

DECLARATION ON COMPLIANCE OF CODE OF CONDUCT

To,
The Members,
Credo Brands Marketing Limited

I hereby declare that the Directors and Senior Management of the Company have affirmed in writing, their compliances with the

Company's Code of Conduct, for Directors and Senior Management during the year ended March 31, 2026.

For **Credo Brands Marketing Limited**

Kamal Khushlani
Chairman and Managing Director
DIN: 00638929

Mumbai
May 21, 2026

INDEPENDENT AUDITOR'S REPORT

To the Members of **Credo Brands Marketing Limited**

Report on the Audit of the Financial Statements

OPINION

We have audited the accompanying financial statements of Credo Brands Marketing Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as the " financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with 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, 2026, and its profit (including other comprehensive income), changes in equity and its cash flows 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 (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

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

Key Audit Matters	How the Key Audit Matters was addressed in our audit
Existence and Valuation of Inventory As at March 31, 2026, the Company held inventories of Rs. 1,103.54 Millions primarily comprises finished garments, accessories, and other fashion merchandise held across warehouses, retail stores, and third-party locations. Consequently, the valuation of inventory involves significant management judgment, particularly in determining the appropriate level of provisions required to state inventory at the lower of cost and net realisable value. Further, due to the large volume of inventory items and their geographical dispersion across multiple locations, there is an inherent risk relating to the physical existence and completeness of inventory records. Accordingly, we identified the existence and valuation of inventory as a key audit matter.	To obtain sufficient and appropriate audit evidence our principal audit procedures included, amongst others: • Evaluated the Company's accounting policies with respect to the valuation of inventories and assessing compliance of the same with the relevant Indian Accounting Standards. • Evaluated the design and implementation of key internal controls relating to inventory management, including controls over stock recording, monitoring, and reconciliation processes. • Attending physical inventory counts at warehouses and selected retail stores on a sample basis and performing independent test counts to verify the existence and condition of inventory. • Evaluated the methodology used by the management to determine the provision for inventory obsolescence and determined whether the method is consistent with that applied in the prior year. • Tested the ageing report including assessing its completeness and the underlying management judgements and estimates made. Further, assessed on a sample basis whether the calculation of provision for obsolescence is in accordance with Company's policy.

Key Audit Matters	How the Key Audit Matters was addressed in our audit
	• Performing roll-forward and roll-back procedures where counts were conducted at dates other than the balance sheet date. • Reviewing the reconciliation of physical inventory counts with the inventory records maintained in the Company's ERP system and investigating significant differences. • Evaluated the adequacy of the disclosures made in the financial statements as per relevant Indian Accounting Standards, including the disclosures related to accounting policies and valuation methods.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report including the Director's report, but does not include the financial statements and our auditor's report thereon. The Company's Annual Report which is expected to be made available to us after that date.

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 identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report including Director's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS FOR THE FINANCIAL STATEMENTS

The Company's Management and 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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, the Board of Directors of the Company are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements 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 Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the financial statements.

   (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

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

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 33 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.

   iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026.

   iv. a. The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 42(g) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   b. The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 42(h) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   c. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

   v. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. (Refer Note 43 to the financial statements).

vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention.

3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

For **M S K C & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 001595S/S000168

Ojas D. Joshi
Partner
Membership No. 109752
UDIN: 26109752ROMJEW7576

Place: Mumbai
Date: May 21, 2026

ANNEXURE A

To the Independent Auditor's Report of even date on the Financial Statements of Credo Brands Marketing Limited

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Director'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.

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 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.

For **M S K C & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 001595S/S000168

Ojas D. Joshi
Partner
Membership No. 109752
UDIN: 26109752ROMJEW7576

Place: Mumbai
Date: May 21, 2026

ANNEXURE B

To Independent Auditors' Report of even date on the Financial Statements of Credo Brands Marketing Limited for the year Ended March 31, 2026

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i. (a) A The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment, capital work in progress, investment property and relevant details of right-of-use assets.

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

(b) Property, Plant and Equipment, investment property and right of use assets were physically verified by the management according to a phased programme designed to cover all items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of Property, plant and equipment, investment property and right of use assets have been physically verified by Management during the year. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the financial statements are held in the name of the Company. The title deeds of immovable properties aggregating to Rs. 10.98 millions as at March 31, 2026, are pledged with the banks and original copies are not available with the Company. The same has been independently confirmed by the bank to us and verified by us.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment, Right of Use assets and intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.

ii. (a) The inventory (excluding stocks with third parties and stocks-in-transit) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them and in respect of goods in transit, the goods have been received subsequent to the year end. No discrepancies were noticed in respect of such confirmations. In our opinion, the frequency, coverage and procedure of such verification is reasonable and appropriate, having regard to the size of the Company and the nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During any point of time of the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores rupees, in aggregate from Banks, on the basis of security of current assets. Based on the records examined by us in the normal course of audit of the financial statements, quarterly statements filed with such Banks are in agreement with the books of accounts of the Company.

iii. (a) According to the information and explanations provided to us, the Company has provided loans, advances in the nature of loans to other entities.

(A) The details of such advances in the nature of loans to parties other than Subsidiary are as follows:

Particulars	Advances in the nature of loans (Rs in Millions)
Aggregate amount granted/provided during the year - Others	4.78
Balance Outstanding as at balance sheet date in respect of above cases - Others	3.40

"During the year the Company has not stood guarantee and provided security to any other entity, There are no Subsidiary, Joint ventures and Associates of the company".

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions in relation to grant of all loans and advances in the nature of loans are not prejudicial to the interest of the Company.

(c) In case of the loans and advances in the nature of loan, schedule of repayment of principal and payment of interest have been stipulated and the borrowers have been regular in the repayment of the principal and payment of interest.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no amounts overdue for more than ninety days in respect of the advances in the nature of loans, granted to Other Parties.

(e) According to the information and explanations provided to us, there were no advance in the nature of loan granted which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue of existing loans or advances in the nature of loan given to the same parties.

(f) According to the information and explanations provided to us, the Company has not any granted loans and advances in the nature of loans, including to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013 either repayable on demand or without specifying any terms or period of repayment during the year. Accordingly, the requirement to report under clause 3(iii)(f) of the Order is not applicable to the Company.

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

v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of the provisions of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the requirement to report under clause 3(v) of the Order is not applicable to the Company.

vi. The provisions of sub-Section (1) of Section 148 of the Companies Act, 2013 are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products/ services of the Company. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

vii. (a) According to the information and explanations given to us and the records examined by us, in our opinion, undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income-tax, cess, and other statutory dues have generally been regularly deposited with the appropriate authorities during the year, though there has been a slight delay in a few cases.

No undisputed amounts payable in respect of these statutory dues were outstanding as at March 31, 2026, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records examined by us, dues relating to goods and services tax, provident fund etc which have not been deposited as on March 31, 2026, on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Demanded Rs. (in millions)	Amount Paid Rs.	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	1.18	-	FY 2011-12	The Commissioner of Income Tax Appeals
Income Tax Act, 1961	Income Tax	2.82	-	FY 2016-17	National Faceless Appeal Centre
Income Tax Act, 1961	Income Tax	0.58	-	FY 2024-25	The Commissioner of Income Tax Appeals
Goods and Services Tax Act 2017	Goods and Services Tax	40.51	-	FY 2017-18	Additional Commissioner of GST
Goods and Services Tax Act 2017	Goods and Services Tax	0.73	-	FY 2021-22	Appeal submitted to Appellate Authority

There are no dues relating to [employees' state insurance, income-tax, Goods and Service tax, cess, and other statutory dues] which have not been deposited on account of any dispute.

ANNEXURE B (CONTD.)

viii. According to the information and explanations given to us, there are no transaction which are not recorded in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment under the Income Tax Act, 1961. Accordingly, the requirement to report as stated under clause 3(viii) of the Order is not applicable to the Company.

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

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations provided to us, no money was raised by way of term loans. Accordingly, the requirement to report under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations provided to us, there are no funds raised during the year. Accordingly, the requirement to report under clause 3(ix)(d) of the Order is not applicable to the Company.

(e) The Company does not have any subsidiary, associate, or joint venture. Accordingly, requirement to report under clause 3(ix)(e) of the order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate, or joint venture. Accordingly, the requirement to report under clause 3(ix)(f) of the order is not applicable to the Company.

x. (a) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting requirement under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly, or optionally convertible) during the year. Accordingly, the requirements to report under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) Based on our examination of the books and records of the Company and according to the information and explanations given to us, we report that no fraud by the Company or no fraud on the Company has been noticed or reported during the year in the course of our audit.

(b) During the year no report under Section 143(12) of the Act, has been filed by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till the date of our audit report, for the period under audit.

xv. According to the information and explanations given to us, and based on our examination of the records of the Company, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the requirements to report under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi) (b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report under clause 3 (xvi)(c) of the Order is not applicable to the Company.

(d) The Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company as part of its group. Accordingly, the requirement to report under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. Based on the overall review of financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the requirement to report under clause 3(xvii) of the Order is not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 41 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a Fund as specified in Schedule VII of the Companies Act, 2013 as disclosed in note 38 to the financial statements.

(b) There are no ongoing projects and accordingly reporting under Clause 3(xx)(b) of the Order is not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For **M S K C & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 001595S/S000168

Ojas D. Joshi
Partner
Membership No. 109752
UDIN: 26109752ROMJEW7576

Place: Mumbai
Date: May 21, 2026

ANNEXURE C

To the Independent Auditor's Report of even date on the Financial Statements of Credo Brands Marketing Limited

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of on the Credo Brands Marketing Limited Financial Statements for the year ended March 31, 2026

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

Opinion

We have audited the internal financial controls with reference to financial statements of Credo Brands Marketing Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, and 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

Management's and Board of Director's Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations 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.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For **M S K C & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 001595S/S000168

Ojas D. Joshi
Partner
Membership No. 109752
UDIN: 26109752ROMJEW7576

Place: Mumbai
Date: May 21, 2026

BALANCE SHEET

AS AT MARCH 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

	Notes	As at March 31, 2026	As at March 31, 2025
A ASSETS			
1 **Non-current assets**			
(a) Property, plant and equipment	5(a)	694.37	745.49
(b) Right of use assets	5(b)	2,049.14	2,145.16
(c) Capital work-in-progress	5(c)	7.57	7.04
(d) Investment properties	6	15.52	15.90
(e) Other intangible assets	7	1.20	1.25
(f) Financial assets			
(i) Investments	8	-	-
(ii) Other financial assets	9	208.24	174.15
(g) Deferred tax assets (net)	10	354.13	306.86
(h) Non-current tax assets	11	5.49	5.49
(i) Other non-current assets	12	224.38	141.11
Total non-current assets		**3,560.04**	**3,542.45**
2 **Current assets**			
(a) Inventories	13	1,103.54	1,018.16
(b) Financial assets			
(i) Trade receivables	14	2,362.85	2,391.21
(ii) Cash and cash equivalents	15(a)	524.45	452.30
(iii) Bank balance other than cash and cash equivalents	15(b)	201.63	1.62
(iv) Other financial assets	9	54.28	83.23
(c) Other current assets	12	212.55	203.33
Total current assets		**4,459.30**	**4,149.85**
Total assets		**8,019.34**	**7,692.30**

	Notes	As at March 31, 2026	As at March 31, 2025
B EQUITY AND LIABILITIES			
1 **Equity**			
(a) Equity share capital	16	130.74	130.62
(b) Other equity	17	4,255.26	3,971.16
Total equity		**4,386.00**	**4,101.78**
2 **Liabilities**			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	-	10.74
(ii) Lease liabilities	5(b)	1,819.90	1,981.51
(iii) Other financial liabilities	19	398.88	411.79
(b) Provisions	20	52.91	38.02
Total non-current liabilities		**2,271.69**	**2,442.06**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	-	3.42
(ii) Lease liabilities	5(b)	461.62	374.23
(iii) Trade payables	22		
Total outstanding dues of micro enterprises and small enterprises		97.23	79.84
Total outstanding dues of creditors other than micro enterprises and small enterprises		170.05	176.09
(iv) Other financial liabilities	19	29.05	13.25
(b) Provisions	20	26.45	22.82
(c) Current tax liabilities (net)	23	42.79	18.95
(d) Other current liabilities	21	534.46	459.86
Total current liabilities		**1,361.65**	**1,148.46**
Total liabilities		**3,633.34**	**3,590.52**
Total equity and liabilities		**8,019.34**	**7,692.30**

The accompanying notes are an integral part of the Financial Statements. 1-43

As per our report of even date attached

For M S K C & Associates LLP
Chartered Accountants
(Firm Registration No. 001595S/S000168)

Ojas D. Joshi
(Partner)
(Membership No. 109752)

Place: Mumbai
Date: May 21, 2026

For and on behalf of the Board of Directors

Credo Brands Marketing Limited
CIN: L18101MH1999PLC119669

Kamal Khushlani
(Chairman and Managing Director)
DIN: 00638929

Poonam Khushlani
(Whole-time Director)
DIN: 01179171

Rasik Mittal
(Chief Financial Officer)

Sanjay Kumar Mutha
(Company Secretary)
(M. No. ACS15884)

Place: Mumbai
Date: May 21, 2026

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

		Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
1	Revenue from operations	24	5,921.03	6,181.80
2	Other income	25	108.50	60.79
3	**Total income (1+2)**		**6,029.53**	**6,242.59**
4	**Expenses**			
	(a) Cost of materials consumed	26	135.00	151.94
	(b) Purchases of stock-in-trade	26	2,414.14	2,271.97
	(c) Changes in inventories of finished goods and stock-in-trade	27	(83.08)	218.84
	(d) Employee benefits expenses	28	354.22	320.61
	(e) Finance costs	29	254.73	255.01
	(f) Depreciation and amortisation expenses	30	743.70	685.65
	(g) Other expenses	31	1,558.85	1,420.27
	Total expenses		**5,377.56**	**5,324.29**
5	**Profit before exceptional items and tax (3-4)**		**651.97**	**918.30**
6	Exceptional Item	31.B	13.97	-
7	**Profit before tax (5-6)**		**638.00**	**918.30**
8	**Tax expense**			
	Current tax	32	211.80	276.18
	Excess provision of income tax in relation to earlier years		(0.31)	(1.07)
	Deferred tax credit	10	(47.73)	(40.90)
	Total tax expense		**163.76**	**234.21**
9	**Profit for the year (7-8)**		**474.24**	**684.09**
10	**Other comprehensive income**			
A	**Items that will not be reclassified to profit or loss**			
	Re-measurement gain/(loss) on defined benefit liability		1.88	2.69
	Tax related to above item		(0.48)	(0.68)
			1.40	2.01
	Total other comprehensive income for the year (net of tax)		**1.40**	**2.01**
11	**Total comprehensive income for the year (9+10)**		**475.64**	**686.10**
	Earnings per share (face value of ₹ 2 each fully paid up)			
	Basic earnings per share in ₹	35	7.26	10.54
	Diluted earnings per share in ₹	35	7.25	10.52

The accompanying notes are an integral part of the Financial Statements. 1-43

As per our report of even date attached

For M S K C & Associates LLP
Chartered Accountants
(Firm Registration No. 001595S/S000168)

Ojas D. Joshi
(Partner)
(Membership No. 109752)

Place: Mumbai
Date: May 21, 2026

For and on behalf of the Board of Directors

Credo Brands Marketing Limited
CIN: L18101MH1999PLC119669

Kamal Khushlani
(Chairman and Managing Director)
DIN: 00638929

Poonam Khushlani
(Whole-time Director)
DIN: 01179171

Rasik Mittal
(Chief Financial Officer)

Sanjay Kumar Mutha
(Company Secretary)
(M. No. ACS15884)

Place: Mumbai
Date: May 21, 2026

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

(A) Equity share capital

	No. of shares	Amount
Balance as at April 01, 2024	**6,44,81,220**	**128.96**
Changes in equity share capital:		
Issue of shares	8,29,283	1.66
Balance as at March 31, 2025	**6,53,10,503**	**130.62**
Changes in equity share capital:		
Issue of shares	59,600	0.12
Balance as at March 31, 2026	**6,53,70,103**	**130.74**

(B) Other Equity

Particulars	**Reserve and surplus**			
	Securities premium	**Retained earnings**	**Share option outstanding account**	**Total**
Balance as at April 01, 2024	**68.70**	**3,204.48**	**14.26**	**3,287.44**
Recognition of share based payments	-	-	5.76	5.76
Additions during the year	24.34	-	-	24.34
Transfer in respect to share option exercised during the year	5.74	-	(5.74)	-
Profit for the year	-	684.09	-	684.09
Re-measurement of defined benefit plan (net of tax)	-	2.01	-	2.01
Payment of dividend	-	(32.48)	-	(32.48)
Balance as at March 31, 2025	**98.78**	**3,858.10**	**14.28**	**3,971.16**
Recognition of share based payments	-	-	2.82	2.82
Additions during the year	1.75	-	-	1.75
Transfer in respect to share option exercised during the year	0.22	-	(0.22)	-
Profit for the year	-	474.24	-	474.24
Re-measurement of defined benefit plan (net of tax)	-	1.40	-	1.40
Payment of dividend	-	(196.11)	-	(196.11)
Balance as at March 31, 2026	**100.75**	**4,137.63**	**16.88**	**4,255.26**

The accompanying notes are an integral part of the Financial Statements. 1-43

As per our report of even date attached

For M S K C & Associates LLP
Chartered Accountants
(Firm Registration No. 001595S/S000168)

Ojas D. Joshi
(Partner)
(Membership No. 109752)

Place: Mumbai
Date: May 21, 2026

For and on behalf of the Board of Directors

Credo Brands Marketing Limited
CIN: L18101MH1999PLC119669

Kamal Khushlani
(Chairman and Managing Director)
DIN: 00638929

Poonam Khushlani
(Whole-time Director)
DIN: 01179171

Rasik Mittal
(Chief Financial Officer)

Sanjay Kumar Mutha
(Company Secretary)
(M. No. ACS15884)

Place: Mumbai
Date: May 21, 2026

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

		For the year ended March 31, 2026	For the year ended March 31, 2025
(A)	**Cash flows from operating activities**		
	Profit before tax	638.00	918.30
	Adjustments for:		
	Depreciation and amortisation expenses	743.70	685.65
	Interest income on financial assets	(47.02)	(27.00)
	Rental income on investment properties	(4.94)	(4.69)
	Finance cost	234.26	230.68
	Net loss on property, plant and equipment sold and written off	38.02	11.43
	Allowance for expected credit loss on receivables and security deposits	-	2.40
	Gain on termination of leases (Net)	(46.75)	(11.57)
	Share based payments to employees	2.81	5.76
	Security deposits written off	-	0.80
	Sundry balances written back	(0.94)	(0.03)
	Excess provision written back	-	(0.93)
	Operating cash flows before working capital changes	**1,557.14**	**1,810.80**
	Working capital adjustments:		
	Adjustment for (Increase) / Decrease in Operating Assets:		
	(Increase) / Decrease in inventories	(85.38)	231.23
	(Increase) / Decrease in trade receivables	28.36	(270.53)
	(Increase) / Decrease in other financial assets	5.99	9.23
	(Increase) / Decrease in other current assets	(9.22)	(19.51)
	(Increase) / Decrease in non-current assets	(65.13)	45.93
	Adjustment for Increase / (Decrease) in Operating Liabilities:		
	(Decrease) / Increase in trade payables	12.29	38.58
	(Decrease) / Increase in other current liabilities	67.29	44.80
	(Decrease) / Increase in other financial liabilities	(28.12)	(20.15)
	(Decrease) / Increase in provisions	20.40	(25.37)
	Cash generated from operations	**1,503.62**	**1,845.01**
	Less: Income tax paid (net)	(180.27)	(253.81)
	Net cash generated from operating activities (A)	**1,323.35**	**1,591.20**
(B)	**Cash flows from investing activities**		
	Purchase of property, plant and equipment (including capital work-in-progress and capital advances)	(195.53)	(213.05)
	Purchase of other intangible assets	(0.10)	(0.40)
	Proceeds from sale of property, plant and equipment	0.94	1.53
	Proceeds from / (Investment in) bank deposits other than cash and cash equivalents	(193.13)	(6.87)
	Interest income on financial assets	29.01	17.06
	Rental income on investment properties	4.95	4.69
	Net cash used in investing activities (B)	**(353.86)**	**(197.04)**
(C)	**Cash flows from financing activities**		
	Repayment of long term borrowings	(14.16)	(70.68)
	Repayment of short term borrowings (net)	-	(290.51)
	Proceeds from issue of shares under stock option plan	1.87	26.00
	Repayment of lease liabilities	(662.55)	(556.41)
	Interest paid	(26.55)	(34.26)
	Dividend paid	(195.95)	(32.48)
	Net cash used in financing activities (C)	**(897.34)**	**(958.34)**
	Net increase in cash and cash equivalents (A)+(B)+(C)	**72.15**	**435.82**

STATEMENT OF CASH FLOWS (CONTD.)
FOR THE YEAR ENDED MARCH 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash and cash equivalent at the beginning of the year	452.30	16.48
Cash and cash equivalents at the end of the year	**524.45**	**452.30**
Cash and cash equivalents as above comprises of the following		

	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash on hand	5.49	10.05
Balances with bank - in current accounts	78.96	72.65
In demand deposit accounts - Having original maturity less than 3 months	440.00	369.60
Total cash and cash equivalents (Refer note 15a)	**524.45**	**452.30**

Notes:

Reconciliation of liabilities from financing activities for the year ended March 31, 2026

Particulars	Borrowings	Lease liabilities
Opening balance	14.16	2,355.74
Additions	-	588.33
Repayment	(14.16)	(662.55)
Closing balance	**-**	**2,281.52**

Reconciliation of liabilities from financing activities for the year ended March 31, 2025

Particulars	Borrowings	Lease liabilities
Opening balance	375.35	2,156.44
Additions	-	755.71
Repayment	(361.19)	(556.41)
Closing balance	**14.16**	**2,355.74**

The accompanying notes are an integral part of the Financial Statements. 1-43

As per our report of even date attached

For M S K C & Associates LLP
Chartered Accountants
(Firm Registration No. 001595S/S000168)

Ojas D. Joshi
(Partner)
(Membership No. 109752)

Place: Mumbai
Date: May 21, 2026

For and on behalf of the Board of Directors

Credo Brands Marketing Limited
CIN: L18101MH1999PLC119669

Kamal Khushlani
(Chairman and Managing Director)
DIN: 00638929

Poonam Khushlani
(Whole-time Director)
DIN: 01179171

Rasik Mittal
(Chief Financial Officer)

Sanjay Kumar Mutha
(Company Secretary)
(M. No. ACS15884)

Place: Mumbai
Date: May 21, 2026

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

As at and for the year ended March 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

1 GENERAL INFORMATION

CREDO BRANDS MARKETING LIMITED (Formerly known as CREDO BRANDS MARKETING PRIVATE LIMITED) 'the Company' is a public limited company domiciled and incorporated in India under the Companies Act, 2013 vide CIN: L18101MH1999PTC119669 on April 29, 1999. The Company is a public limited company w.e.f. May 11, 2023 with new CIN: L18101MH1999PLC119669. The registered office of the Company is located at B-8, MIDC Central Road, Marol, Next to MIDC Police Station, Andheri (E), Mumbai - 400093.

The Company is mainly engaged in the business of selling of fashion casual garments and accessories under the brand name MUFTI. A fresh certificate of incorporation consequent to the conversion of Private to Public Company was issued by the Registrar of Companies Mumbai on May 11, 2023 under section 18 of the Companies Act, 2013 to give effect of conversion.

The Company has completed its Initial Public Offer ("IPO") of 19,634,960 equity shares of face value of ₹ 2 each at an Issue price of ₹ 280/- per share (Including share premium of ₹ 278/- per share), comprising offer for sale of 19,634,960 equity shares by Selling Shareholders aggregating to ₹ 5,497.79 million. Pursuant to the IPO, the equity shares of the Company were listed on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") effective December 27, 2023.

The financial statements for the year ended March 31, 2026 were approved for issue by the Company's Board of Directors on May 21, 2026.

2 MATERIAL ACCOUNTING POLICIES

2.1 Basis of Preparation, Presentation and Measurement

The Financial Statements of the Company comprises the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of material accounting policies and other explanatory information (together referred to as the "Financial Statements").

The Financial Statements of the Company are prepared in accordance with and in compliance, in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read along with Companies (Indian Accounting Standards) Rules, as amended and other relevant provisions of the Act. The presentation of the Financial Statements is based on Ind AS Schedule III of the Companies Act, 2013.

The Financial Statements of the Company have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated. All assets and liabilities are classified into current and non-current generally based on the criteria of realisation / settlement within a twelve month period from the balance sheet date.

The Financial Statements are presented in Indian Rupees (₹) and all amounts disclosed in the financial statements and notes have been rounded off to the nearest million, up to two places of decimal, unless otherwise stated.

2.2 Functional and presentation currency

The Financial Statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Financial Statements are presented in Indian rupee (₹), which is also the Company's functional currency. All amounts have been rounded-off to the nearest million, up to two places of decimal, unless otherwise indicated. Amounts having absolute value of less than ₹ 5,000 have been rounded-off and are presented as 0.00 million in the Financial Statements.

2.3 Current and non-current classification

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities, respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Based on the nature of product and the time between procurement of products and their realisation in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current / non-current classification of assets and liabilities.

2.4 Property, plant and equipment

Property plant and equipment are stated at their cost of acquisition, less accumulated depreciation / amortisation and impairment loss. Cost of an item of property, plant and equipment includes purchase price including non-refundable taxes and duties, borrowing cost directly attributable to the qualifying asset, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and the present value of the expected cost for the dismantling / decommissioning of the asset. Parts (major components) of an item of Property, plant and equipments having different useful lives are accounted as separate items of property, plant and equipments.

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 comprises of cost incurred on property, plant and equipment under construction / acquisition that are not yet ready for their intended use at the Balance Sheet Date. Advances paid towards the acquisition of PPE outstanding at each reporting date is classified as Capital Advances under "Other Non-Current Assets" and assets which are not ready for intended use as on the reporting date are disclosed as "Capital Work in Progress".

2.4.1 Depreciation method and estimated useful lives

Depreciation on the property, plant and equipment (other than capital work in progress) is provided on a straight line method over their useful lives which is in consonance of useful life mentioned in Schedule II to the Companies Act, 2013. The estimated useful lives are as under:

(All amounts in ₹ millions, unless otherwise stated)

Plant and equipment	15 years
Furniture and fixtures*	10 years
Office equipment	5 years
Vehicles	8 years
Computers	3 years

Leasehold improvements are amortised on a straight line basis over the respective lease term.

*The Company, based on technical assessment made by the management, depreciates certain items of furniture and fixtures at its retail stores at lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013, as detailed below.

Mannequin	5 Years
Signages	3 Years
Other Furniture and Fixtures at Stores	5 years

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation method and useful lives are reviewed at each financial year end and adjusted prospectively.

2.4.2 Derecognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Profit or Loss when the asset is de-recognised.

2.5 Intangible assets

2.5.1 Recognition and measurement

Intangible assets that are acquired by the Company are stated at cost of acquisition less amortisation and impairment losses, if any. Cost of an intangible asset includes purchase price including non-refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable expenditure on making the asset ready for its intended use. Intangible assets are recognised only if it is probable that the future economic benefits attributable to asset will flow to the Company and the cost of asset can be measured reliably. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates. Intangible assets under development comprises of cost incurred on intangible assets under development that are not yet ready for their intended use as at the reporting period.

2.5.2 Amortisation and useful lives

Intangible assets with finite lives comprise of trademarks / brand and software, are amortised over the period of 5 years and 3 years respectively on straight-line basis. Amortisation methods and useful lives are reviewed at each financial year end and adjusted prospectively.

2.5.3 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.

2.6 Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its non-financial 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.

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.

2.7 Investment properties

Investment properties are properties held to earn rentals and / or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 requirements for cost model.

Depreciation is recognised so as to write-off the cost over the estimated useful life of 60 years, using the straight-line method.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn form use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss in the period in which the property is derecognised.

2.8 Leases

The Company's lease asset primarily comprise of leases for buildings / premises. The Company assesses whether a contract contains a lease, at the inception of a contract. The determination of whether a contract is (or contains) a lease is based on the substance of the contract at the inception. The contract is, or contains, a lease if the contract provide lessee, the right to control the use of an identified asset for a period of time in exchange for consideration. A lessee does not have the right to use an identified asset if, at inception of the contract, a lessor has a substantive right to substitute the asset throughout the period of use.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
As at and for the year ended March 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

The Company accounts for the lease arrangement as follows:

(i) Where the Company is the lessee

Right of Use Asset

The Company applies single recognition and measurement approach for all leases, except for short term leases and leases of low value assets. On the commencement of the lease, the Company, in its Balance Sheet, recognised the right of use asset at cost and lease liability at present value of the lease payments to be made over the lease term.

Subsequently, the right of use asset is measured at cost less accumulated depreciation [calculated on straight line method] and any accumulated impairment loss. Right-of-use assets are depreciated on a straight-line basis over the lease term as follows:

Asset category	Lease Term
Lease hold premises	3 to 9 years

The right-of-use assets are also subject to impairment. Refer to the accounting policies in note 2.6 on impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on a revenue generated from respective stores, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The lease payment made, are apportioned between the finance charge and the reduction of lease liability, and are recognised as expense in the Statement of profit and loss.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Lease deposits given are a financial asset and are measured at amortised cost under Ind AS 109 since it satisfies Solely Payment of Principal and Interest (SPPI) condition. The difference between the present value and the nominal value of deposit is considered as Right of Use Asset and depreciated over the lease term. Unwinding of discount is treated as finance income and recognised in the Statement of profit and loss.

(ii) Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. Lease deposits received are financial instruments (financial liability) and are measured at fair value on initial recognition. The difference between the fair value and the nominal value of deposits is considered as rent in advance and recognised over the lease term on a straight line basis. Unwinding of discount is treated as interest expense (finance cost) for deposits received and is accrued as per the EIR method.

2.9 Inventories

Inventories of raw material, finished good and stock-in-trade are valued at the lower of cost (on First-in-First out 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 other levies, transit insurance and receiving charges. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

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.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.11 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.

2.12 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

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.

2.13 Financial assets

All financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

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.

2.13.1 Classification of financial assets

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL), and
- those measured at amortised cost.

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 the Statement of Profit or Loss or Other Comprehensive Income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity instrument at fair value through Other Comprehensive Income.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
As at and for the year ended March 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

2.13.2 Subsequent measurement

Financial assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost.

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the asset's cash flows represent solely payments of principal and interest, are measured at FVOCI. All equity investments are measured at fair value through other comprehensive income, except for investments in subsidiary / associate which is measured at cost. Changes in the fair value of financial assets are recognised in Statement of Other Comprehensive Income. In those cases, there is no subsequent reclassification of fair value gains and losses to Statement of profit and loss.

Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on such financial assets that are subsequently measured at FVTPL and is recognised and presented net in the Statement of profit and loss within other income in the period in which it arises.

2.13.3 Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

(b) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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.

2.13.4 Derecognition of financial assets

The Company derecognizes a financial asset when the contractual right to the cash flows from the financial asset expire or it transfers substantially all risk and rewards of ownership of the financial asset. A gain or loss on such financial assets that are subsequently measured at amortized cost is recognised in the Statement of Profit or Loss when the asset is derecognised.

2.14 Financial liabilities and equity instruments

2.14.1 Classification of debt or equity

Debt and equity instruments issued by a Company entity 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.

2.14.2 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 are recognised at the proceeds received, net of direct issue costs.

2.15 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. (fair value through profit or loss)

2.15.1 Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost (loans and borrowings, and payables). All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2.15.2 Subsequent measurement

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. This category generally applies to interest-bearing loans and borrowings.

2.15.3 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

2.15.4 Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.16 Cash and cash equivalents

Cash and cash equivalents includes cash and cheques on hand, current accounts and fixed deposits accounts with banks with original maturities of three months or less that are readily convertible to known amounts of cash (other than on lien) and which are subject to an insignificant risk of changes in value and book overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.16.1 Statements of cash flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

2.17 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1 – Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 – Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 – Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

For assets and liabilities that are recognised in the Financial Statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy. Fair values have been determined for measurement and / or disclosure purpose using methods as prescribed in "Ind AS 113 Fair Value Measurement".

2.18 Revenue recognition

The Company's revenue majorly represents revenue from sale of garments. The Company sells garments through own stores and to business partners such as distributors, franchisees, large format stores and E-Commerce.

Revenue towards satisfaction of a performance obligation i.e. sale of traded goods is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
As at and for the year ended March 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

2.18.1 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) recognise revenues when a performance obligation is satisfied.

The Company has concluded that it is principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

With respect to arrangements with its business partners, where the Company has an unconditional right but not an obligation relating to unsold inventory, the Company has concluded that these arrangements are also on principal to principal basis as the control is passed or right of consideration is established.

The transfer of control of promised goods as above, generally coincides with the delivery of goods and collection of tender to / from customers.

- For business partner acting as principal, revenue is recognised upon sale to business partner.

Sales are recognised, net of returns and trade discounts, rebates, and Goods and Services Tax (GST).

Under the Company's standard contract terms, the Company may calls for return goods at the end of the seasons as per Company's policy. At the point of sale, a refund liability and a corresponding adjustment to revenue is recognised for those products expected to be returned. At the same time, the Company has a right to recover the product when the return occurs; consequently, the Company recognises a right-to-returned-goods asset with a corresponding adjustment to cost of sales. The Company uses its accumulated historical experience to estimate the number of returns on a seasonal basis using the expected value method. It is considered highly probable that a significant reversal in the cumulative revenue recognised will not occur given the consistent level of returns over previous years.

The Company under the schemes gives discount to its retail customers. Based on market trends, competitiveness in pricing, etc, the Company also negotiates and gives discount to its business partners / franchisee's. These are reduced from the revenue being variable considerations.

The Company operates a loyalty program through which retail customers accumulate points on purchases of apparels that entitle them to discounts on future purchases. These points provide a discount to customers that they would not receive without purchasing the apparels (i.e. it is a material right). The promise to provide the discount to the customer is therefore a separate performance obligation. The transaction price is allocated between the sale of apparels and the rights related to the loyalty points on a relative stand-alone selling price basis. The stand-alone selling price per point is estimated based on the discount to be given when the points are redeemed by the customer and the likelihood of redemption, as evidenced by the Company's historical experience. A contract liability is recognised for revenue relating to the loyalty points at the time of the initial sales transaction. Revenue from the loyalty points is recognised when the points are redeemed by the customer. Revenue for points that are not expected to be redeemed is recognised in proportion to the pattern of rights exercised by customers.

2.18.2 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.

2.18.3 Other income

Other incomes are accounted on accrual basis and except interest on delayed payment by debtors which are accounted on acceptance of the Company's claim.

2.19 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).

2.20 EMPLOYEE BENEFITS

Company's Employee benefit obligations include Short-term obligations and Post-employment obligations which includes gratuity plan and contributions to provident fund.

2.20.1 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 which 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.

2.20.2 Post-employment obligations

Defined benefit plans

The Company has defined benefit plan namely gratuity, which is unfunded. 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. 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 interest cost is calculated by applying the discount rate to the balance of the defined benefit obligation. 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 defined contribution plan is a post-employment benefit plan under which the Company contributes fixed contribution to a Government Administered Fund and will have no obligation to pay further contribution. The Company's defined contribution plan comprises of Provident Fund, Labour Welfare Fund, Employee State Insurance Scheme and Employee Pension Scheme. The Company's contribution to defined contribution plans are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

2.21 Share-based payment to employees

Equity-settled share-based payments to employees 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 No. 37.

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.

2.22 Taxation

Income tax expense represents the sum of the current tax and deferred tax.

2.22.1 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.

2.22.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the 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 those deductible temporary differences can be utilised.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
As at and for the year ended March 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

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.

2.22.3 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.

2.23 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

2.24 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.

3 RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2026, the management has assessed that impact of the new amendments to the existing standards or issuance of any new standard is immaterial to the Company.

The Ministry of corporate Affairs ("MCA") notified amendments on May 07, 2025 and August 13, 2025 under the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which is effective from annual reporting periods beginning on or after April 01, 2025.

(a) Amendment to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangement:

The amendments to Ind AS 7 'Statement of Cash Flows' and Ind AS 107 'Financial Instruments: Disclosures' clarify the characteristics of supplier finance arrangements and require additional disclosures for such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The Company does not have any supplier finance arrangements during the reporting period.

(b) Amendment to Ind AS 1 - Classification of liabilities as current or non-current and non-current liabilities with covenants:

The amendment specifies the requirements for classifying liabilities as current or non-current in the balance sheet, and clarifies the following:

(a) An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. The classification of a liability as current or non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement.

(b) If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenant on or before the end of the reporting period.

(c) In case of a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument.

These amendments have no effect on the measurement of any items in the financial statements of the Company. The Company did not make retrospective adjustments as a result of adopting the amendments to Ind AS 1.

(c) Amendment to Ind AS 12 – Pillar-Two Tax Reforms:

The Company is not within the scope of the OECD Pillar Two Model Rules, as Pillar Two legislation has not yet been enacted in any of the jurisdiction in which the Company operates.

(d) Amendment to Ind AS 21-Lack of exchangeability:

The Amendments introduces requirement to assess when a currency is exchangeable into another currency and when it is not. The amendment requires an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. These amendments had no effect on the financial statements of the Company.

The below amendments are notified but not yet effective:

Amendment to Ind AS 1 'Presentation of Financial Statements'- Classification of Liabilities as current or non-current and non-current liabilities with covenants:

The amendment includes specific provisions that will take effect for reporting periods beginning on or after April 1, 2026 retrospectively, as outlined below:

(a) Breach of material covenant for long-term loan arrangement on or before end of reporting period with effect that liability becomes payable on demand as on reporting date, then it shall be classified as current liability, if lender agreed after reporting period and before approval of financial statements to not demand payment as a consequence of breach.

(b) Classify as non-current liability, if lender agreed by end of reporting period to provide grace period ending at least 12 months after reporting period within which entity can rectify the breach provided lender does not demand immediate repayment.

(c) Disclose information about the timing of settlement to understand the impact of the liability on the financial statements.

The Company does not expect this amendment to have an impact on its operations or financial statements.

4 USE OF ESTIMATES AND CRITICAL ACCOUNTING JUDGEMENTS

The preparation of Financial Information 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 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
As at and for the year ended March 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

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 Information are disclosed below.

4.1 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. The useful lives 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.

4.2 Leases

The Company determines the lease term in accordance with Ind AS 116 which 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.

4.3 Inventories

The Company considers year and seasonality to which inventory pertains for determining net realisable value for old inventories. Such old inventories are marked down to its estimated realisable value based on amount which the Company has been able to realise on sale of old inventory. 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.

4.4 Employee benefits

The cost of the defined benefit plan is determined by actuarial valuations using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include determination of discount rates, future salary increases, attrition and mortality rates. Due to the complexities involved in the valuation and its nature, a defined benefit is highly sensitive to change in these assumptions. All assumptions are reviewed at each reporting period.

4.5 Provision for sales return

The Company recognises a provision for sales returns based on seasonal trends observed in prior periods. This provision is reviewed periodically to ensure its continued relevance in light of changing market conditions, based on management's assessment.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
As at and for the year ended March 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

5(a) PROPERTY, PLANT AND EQUIPMENT

	Particulars	Office Equipment	Computers	Leasehold Improvement	Furniture & Fixtures	Vehicles	Plant & Equipment	Total
I.	**Gross Carrying Value**							
	Balance as on April 01, 2024	138.14	25.44	558.83	356.16	41.56	15.51	**1,135.64**
	Additions	31.83	3.34	108.88	45.79	10.84	0.51	**201.19**
	Disposals / adjustments	(29.55)	(4.55)	(167.32)	(3.12)	(4.13)	(0.87)	(209.54)
	Balance as on March 31, 2025	**140.42**	**24.23**	**500.39**	**398.83**	**48.27**	**15.15**	**1,127.29**
	Additions	35.67	5.35	111.84	38.11	-	0.87	**191.84**
	Disposals / adjustments	(14.65)	(0.79)	(66.23)	(6.70)	-	-	(88.37)
	Balance as on March 31, 2026	**161.44**	**28.79**	**546.00**	**430.24**	**48.27**	**16.02**	**1,230.76**
II.	**Accumulated Depreciation**							
	Balance as on April 01, 2024	48.19	13.80	177.52	114.38	5.93	3.48	**363.30**
	Depreciation expense	29.03	6.93	106.02	65.72	5.98	1.39	**215.07**
	Disposals / adjustments	(27.41)	(4.52)	(158.54)	(1.63)	(4.13)	(0.34)	(196.57)
	Balance as on March 31, 2025	**49.81**	**16.21**	**125.00**	**178.47**	**7.78**	**4.53**	**381.80**
	Depreciation expense	31.35	7.20	102.72	55.23	6.50	1.01	**204.01**
	Disposals / adjustments	(9.07)	(0.71)	(36.23)	(3.41)	-	-	(49.42)
	Balance as on March 31, 2026	**72.09**	**22.70**	**191.49**	**230.29**	**14.28**	**5.54**	**536.39**
III.	**Net Carrying Value (I-II)**							
	Balance as on April 01, 2024	**89.95**	**11.64**	**381.31**	**241.78**	**35.63**	**12.03**	**772.34**
	Balance as on March 31, 2025	**90.61**	**8.02**	**375.39**	**220.36**	**40.49**	**10.62**	**745.49**
	Balance as on March 31, 2026	**89.35**	**6.09**	**354.51**	**199.95**	**33.99**	**10.48**	**694.37**

Notes:

(i) Property, plant and equipment have been mortgaged / hypothecated against secured term loan, working capital and other fund based facilities (Refer note 18)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
As at and for the year ended March 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

5(b) RIGHT OF USE ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
I. Gross Carrying Value		
Opening gross carrying amount	3,256.13	2,934.80
Additions	681.82	662.79
Disposals / adjustments	(550.36)	(341.46)
Closing gross carrying value	**3,387.59**	**3,256.13**
II. Accumulated Depreciation		
Opening accumulated depreciation	1,110.97	919.82
Depreciation expense	539.16	468.80
Disposals / adjustments	(311.68)	(277.65)
Closing accumulated depreciation	**1,338.45**	**1,110.97**
III. Net Carrying Value	**2,049.14**	**2,145.16**

The right-of-use assets comprise of buildings / premises taken on lease. The Company has applied a single discount rate to a portfolio of leases with similar characteristics.

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

Particulars	As at March 31, 2026	As at March 31, 2025
Current lease liability	461.62	374.23
Non current lease liability	1,819.90	1,981.51
Total	**2,281.52**	**2,355.74**

(ii) The following is the movement in lease liabilities during the year:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	2,355.74	2,156.44
Additions/modifications	647.74	626.73
Deletions	(266.77)	(67.74)
Finance cost on lease liabilities (Refer note 29)	207.36	196.72
Lease rentals paid	(662.55)	(556.41)
Balance as at the end of the year	**2,281.52**	**2,355.74**

(iii) Details of contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at March 31, 2026	As at March 31, 2025
Less than one year	646.73	596.62
One to five years	1,791.11	2,106.29
More than five years	484.46	339.03
Total	**2,922.30**	**3,041.94**

The Company does not face significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the lease liabilities as and when they fall due.

(iv) Impact on statement of profit and loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on lease liabilities	207.36	196.72
Depreciation on right of use assets	539.16	468.80
Expenses relating to short-term leases	15.94	28.56
Expenses relating to variable leases	13.28	34.05
Expenses relating to low value leases	1.89	1.62

(All amounts in ₹ millions, unless otherwise stated)

5(c) CAPITAL WORK IN PROGRESS

Particulars	As at March 31, 2026	As at March 31, 2025
Leasehold Improvement		
Opening balance	7.04	8.34
Expenditure during the year	3.49	7.04
Capitalised during the year	(5.76)	(8.34)
Closing balance	**4.77**	**7.04**
Office Equipment		
Opening balance	-	-
Expenditure during the year	2.18	-
Capitalised during the year	-	-
Closing balance	**2.18**	**-**
Furniture & Fixtures		
Opening balance	-	-
Expenditure during the year	0.62	-
Capitalised during the year	-	-
Closing balance	**0.62**	**-**
Total		
Opening balance	7.04	8.34
Expenditure during the year	6.29	7.04
Capitalised during the year	(5.76)	(8.34)
Closing balance	**7.57**	**7.04**

Capital work-in-progress ageing schedule is as follows

Particulars	As at March 31, 2026	As at March 31, 2025
Projects in progress		
Less than 1 year	6.29	7.04
1-2 years	1.28	-
2-3 years	-	-
More than 3 years	-	-
Total	**7.57**	**7.04**

6 INVESTMENT PROPERTIES

Particulars	As at March 31, 2026	As at March 31, 2025
Gross carrying value		
Opening gross carrying amount	17.42	17.42
Additions	-	-
Disposals / adjustments	-	-
Closing gross carrying value	**17.42**	**17.42**
Accumulated depreciation		
Opening accumulated depreciation	1.52	1.14
Depreciation charge (Refer note 30)	0.38	0.38
Closing accumulated depreciation	**1.90**	**1.52**
Net carrying value	**15.52**	**15.90**

The investment properties comprise commercial spaces in a building.

Notes:

(i) Amounts recognised in Statement of Profit and Loss for investment properties

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Rental income (Refer note 25)	4.94	4.69
Direct operating expenses from property that generated rental income	(0.93)	(0.18)
Profit/(Loss) from investment properties before depreciation	**4.01**	**4.51**
Depreciation charge (Refer note 30)	(0.38)	(0.38)
Profit/(Loss) from investment properties	**3.63**	**4.13**

(ii) There is no immovable property which is not held in the name of the Company.

(iii) Investment property includes ₹ 3,250/- being the value of sixty five shares of ₹ 50 each in Tex Centre Premises Co-operative Society Limited.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
As at and for the year ended March 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

(iv) Details of rental income receivable on an undiscounted basis:

Particulars	As at March 31, 2026	As at March 31, 2025
Less than one year	5.08	4.65
One to five years	9.04	1.77
More than five years	-	-
	14.12	**6.42**

The fair value of investment properties of ₹ 157.62 million as at March 31, 2026 has been arrived at on the basis of valuations carried out at that date by 'Yardi Prabhu Consultants & Valuers Private Limited', an accredited independent valuer. They specialise in valuing these types of investment properties and is a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. A valuation model in accordance with that recommended by the International Valuation Standards Committee has been applied.

Description of valuation techniques used and key inputs to valuation on investment properties:

Investment properties Valuation	Technique
Building	Selling price method based on recent market prices

7 OTHER INTANGIBLE ASSETS

	Particulars	Trade Mark & Brands	Software	Total
I.	**Gross Carrying Value**			
	Balance as on April 01, 2024	**1.93**	**3.09**	**5.02**
	Additions	-	0.40	**0.40**
	Disposals / adjustments	-	-	**-**
	Balance as on March 31, 2025	**1.93**	**3.49**	**5.42**
	Additions	-	0.10	**0.10**
	Disposals / adjustments	-	-	**-**
	Balance as on March 31, 2026	**1.93**	**3.59**	**5.52**
II.	**Accumulated Amortisation**			
	Balance as on April 01, 2024	**1.54**	**1.23**	**2.77**
	Amortisation expense	0.39	1.01	**1.40**
	Disposals / adjustments	-	-	**-**
	Balance as on March 31, 2025	**1.93**	**2.24**	**4.17**
	Amortisation expense	-	0.15	**0.15**
	Disposals / adjustments	-	-	**-**
	Balance as on March 31, 2026	**1.93**	**2.39**	**4.32**
III.	**Net Carrying Value (I-II)**			
	Balance as on April 01, 2024	**0.39**	**1.86**	**2.25**
	Balance as on March 31, 2025	**-**	**1.25**	**1.25**
	Balance as on March 31, 2026	**-**	**1.20**	**1.20**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
As at and for the year ended March 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

8 NON-CURRENT INVESTMENTS

Particulars	As at March 31, 2026		As at March 31, 2025	
	Units	Amount	Units	Amount
Investments in Equity Instruments				
Unquoted investment (measured at cost)				
Investments in subsidiary				
KAPS Mercantile Private Limited, equity shares of ₹ 10/- each fully paid up	-	-	21,40,000	21.40
Less: Provision for Impairment in value of investment in subsidiary	-	-	(21,40,000)	(21.40)
Total	**-**	**-**	**-**	**-**

Note:

In previous financial year, KAPS Mercantile Private Limited ("KMPL", a wholly owned subsidiary of the Company) had filed an application for striking off it's name from the Register of Companies, under Section 248(2) of the Companies Act, 2013, on January 21, 2025. Subsequently, the name of KMPL has been struck off from the Register of Companies w.e.f. April 23, 2025 as per the Form STK-7 received by the Company and KMPL is hence dissolved.

The value of the Investment held by the Company in KMPL, has already been fully impaired in the financial year 2022-23. Hence, there would be no financial impact in the books of account of the Company, although the investment shall be written off in the books of accounts in financial year 2025-26 being the year in which the Form STK-7 has been received giving effect to the Strike Off and dissolution of KMPL.

9 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
(Unsecured, considered good)		
Non-current		
Security deposits paid	208.24	174.15
	208.24	**174.15**
(Unsecured, considered doubtful)		
Non-current		
Security deposits paid	9.90	9.90
Less: Allowance for doubtful security deposits	(9.90)	(9.90)
	-	**-**
Total	**208.24**	**174.15**
(Unsecured, considered good)		
Current		
(a) Security deposits paid	53.09	74.51
(b) Accrued interest on bank deposits	1.19	1.85
(c) In demand deposit accounts		
- Having original maturity more than 12 months	-	6.87
Total	**54.28**	**83.23**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
As at and for the year ended March 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

10 DEFERRED TAX ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax assets (a)	920.16	900.90
Deferred tax liabilities (b)	(566.03)	(594.04)
Deferred tax assets (net) (a-b)	**354.13**	**306.86**

Deferred tax assets / (liabilities) in relation to:

As at March 31 2026

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
(i) Deferred tax assets in relation to:				
Property, plant and equipment	131.82	22.11	-	153.93
Leases (net)	592.89	(18.68)	-	574.21
Security deposits paid	30.76	(13.73)	-	17.03
Employee benefits	17.43	5.79	(0.47)	22.75
Doubtful debts	25.86	-	-	25.86
Loyalty points	2.56	(0.08)	-	2.48
Revenue reversal - goods sold on sale or return basis	99.58	24.32	-	123.90
Total	**900.90**	**19.73**	**(0.47)**	**920.16**
(ii) Deferred tax liabilities in relation to:				
Property, plant and equipment	-			
Other Intangible assets	0.18	(0.18)	-	-
Investment properties	3.15	(0.01)	-	3.14
Right of Use Assets	539.89	(25.63)	-	514.26
Security deposits paid	11.83	(11.83)	-	-
Revenue reversal - goods sold on sale or return basis	38.99	9.64	-	48.63
Total	**594.04**	**(28.01)**	**-**	**566.03**
Deferred tax assets (net)	**306.86**	**47.74**	**(0.47)**	**354.13**

As at March 31 2025

Particulars	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
(i) Deferred tax assets in relation to:				
Property, plant and equipment	113.09	18.73	-	131.82
Leases (net)	542.74	50.15	-	592.89
Security deposits paid	16.37	14.39	-	30.76
Employee benefits	17.66	0.45	(0.68)	17.43
Doubtful debts	25.50	0.36	-	25.86
Loyalty points	9.47	(6.91)	-	2.56
Revenue reversal - goods sold on sale or return basis	50.94	48.64	-	99.58
GST input tax credit	0.82	(0.82)	-	-
Trade payable - MSME	0.37	(0.37)	-	-
Total	**776.96**	**124.62**	**(0.68)**	**900.90**
(ii) Deferred tax liabilities in relation to:				
Other Intangible assets	-	0.18	-	0.18
Investment properties	3.15	-	-	3.15
Right of Use Assets	493.97	45.92	-	539.89
Security deposits paid	13.16	(1.33)	-	11.83
Revenue reversal - goods sold on sale or return basis	-	38.99	-	38.99
Total	**510.28**	**83.76**	**-**	**594.04**
Deferred tax assets (net)	**266.68**	**40.90**	**(0.68)**	**306.86**

Note:

The Company has recognised deferred tax assets (net) amounting to ₹ 354.13 million as at March 31, 2026 (As at March 31, 2025: ₹ 306.86 million), consistent with applicable Indian Accounting Standard as it is considered probable that future taxable profits will be available.

(All amounts in ₹ millions, unless otherwise stated)

11 NON-CURRENT TAX ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Income tax assets (net of provision for tax)	5.49	5.49
Total	**5.49**	**5.49**

12 OTHER ASSETS

(Unsecured, considered good)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
(a) Capital advances	22.50	4.11
(b) Balance with government authorities (Goods and Services tax input receivable)	200.99	131.58
(c) Prepayments	0.52	0.75
(d) Prepayments - Security deposits	0.37	4.67
Total	**224.38**	**141.11**
Current		
(a) Advances to employees	3.13	5.51
(b) Prepayments	10.56	8.42
(c) Prepayments - Security deposits	0.19	0.11
(d) Advances to suppliers	16.44	23.76
(e) Right to return good assets (Refer note (i) below)	182.23	142.25
(f) Other advances (Refer note (ii) below)	-	23.28
Total	**212.55**	**203.33**

Note:

(i) The right to return goods asset represents the Company's right to recover products from customers under the Company's returns policy. The Company uses its accumulated historical experience to estimate the number of returns on a seasonal basis using the expected value method.

(ii) The Company has incurred, expenses amounting to ₹ 370.20 million in connection with initial public offer of equity shares of the Company. In accordance with the Companies Act, 2013 (the Act), the Company has fully recovered the aforesaid expenses from the selling shareholders. As at March 31, 2026 there is no balance lying in the escrow account.

13 INVENTORIES

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials	47.36	45.27
Raw materials - In Transit	0.22	0.65
Finished goods	62.93	6.13
Stock in trade	982.27	951.12
Stock in trade - In Transit	10.76	14.99
Total	**1,103.54**	**1,018.16**

(i) The cost of inventories recognised as an expense is ₹ 2,466.06 million for the year ended March 31, 2026 (for the year ended March 31, 2025 ₹ 2,642.75 million).

(ii) The cost of inventories recognised as an expense on account of write-down of inventory is ₹ 37.89 million for the year ended March 31, 2026 (for the year ended March 31, 2025 ₹ 35.27 million).

(iii) The mode of valuation of inventory has been stated in note 2.9.

(iv) Inventories have been pledged against secured term loan and cash credit facility (Refer note 18)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
As at and for the year ended March 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

14 TRADE RECEIVABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Unsecured, considered good	2,362.85	2,391.21
Unsecured, considered doubtful	92.88	92.88
	2,455.73	**2,484.09**
Less: Expected credit loss allowance	(92.88)	(92.88)
Total	**2,362.85**	**2,391.21**

Note:

(i) Movement in expected credit loss allowance

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Balance as at the beginning of the year	92.88	91.41
Add: Provided during the year	-	3.14
Less: Amount Written off	-	(1.67)
Balance as at the end of the year	**92.88**	**92.88**

(ii) Trade receivable ageing:

Outstanding for following periods from date of transaction

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Undisputed trade receivables - considered good		
Not due	-	-
Less than 6 months	2,183.70	2,258.76
6 months - 1 year	145.94	130.53
1-2 years	32.28	1.03
2-3 years	-	0.80
More than 3 years	0.93	0.09
Sub-total	**2,362.85**	**2,391.21**
(b) Undisputed trade receivables which have significant increase in credit risk		
Not due	-	-
Less than 6 months	-	0.06
6 months - 1 year	0.06	1.03
1-2 years	3.36	0.92
2-3 years	0.42	4.48
More than 3 years	89.04	86.39
Sub-total	**92.88**	**92.88**
Gross trade receivables (a + b)	**2,455.73**	**2,484.09**
Less: Allowance for doubtful trade receivables (expected credit loss allowance)	(92.88)	(92.88)
Total	**2,362.85**	**2,391.21**

(iii) The Company recognises allowance for expected credit loss on trade receivables, which are assessed for credit risk on individual basis.

(iv) The management has established a credit policy under which customers are analysed for their creditworthiness.

(v) Trade receivables have been pledged against secured term loan and cash credit facility (Refer note 18)

(vi) There were no receivables due from directors or any of the officers of the Company.

(vii) No single customer represents 10% or more of the Company's total revenue for the year ended March 31, 2026 and 2025, respectively.

(viii) Generally, customers remit sales consideration without specifying particular invoices in respect of which such remittances are being made. Hence, such receipts from the customers are adjusted against their trade receivables on First in First out (FIFO) basis.

(ix) There are no disputed trade receivables as at March 31, 2026 and March 31, 2025.

(x) Relationship with Struck off Companies: During the current financial year, Company doesn't have any transactions and outstanding balances with struck off Companies.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
As at and for the year ended March 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

15 CASH AND CASH EQUIVALENTS

For the purpose of statement of cashflows, cash and cash equivalents includes cash on hand and balance 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, 2026	As at March 31, 2025
(a)	Cash on hand (Refer note (i) below)	5.49	10.05
	Balance with banks (Refer note (i) below)		
	In current accounts	78.96	72.65
	In demand deposit accounts		
	- Having original maturity less than 3 months	440.00	369.60
(b)	Other bank balances		
	In demand deposit accounts		
	- Having original maturity more than 3 months but less than 12 months	200.00	-
	In earmarked deposit accounts	1.63	1.62
	Total	**726.08**	**453.92**

Note:

(i) Cash and cash equivalents have been pledged against secured term loan and cash credit facility (Refer note 18)

16 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number	Amount	Number	Amount
Authorised share capital				
Equity share capital				
Equity shares of ₹ 2 each with equal voting rights (Refer note (i) below)	7,00,00,000	140.00	7,00,00,000	140.00
Total	**7,00,00,000**	**140.00**	**7,00,00,000**	**140.00**
Issued share capital				
Equity shares of ₹ 2 each with equal voting rights (Refer note (i) below)	6,53,70,103	130.74	6,53,10,503	130.62
Total	**6,53,70,103**	**130.74**	**6,53,10,503**	**130.62**
Subscribed and paid-up share capital				
Equity shares of ₹ 2 each with equal voting rights (Refer note (i) below)	6,53,70,103	130.74	6,53,10,503	130.62
Total	**6,53,70,103**	**130.74**	**6,53,10,503**	**130.62**

(i) The Authorised Share Capital of the Company was increased from ₹ 50 million (consisting of 50,00,000 equity shares of face value of ₹ 10 each) to ₹ 140 million (consisting of 7,00,00,000 equity shares of face value of ₹ 2 each) through an ordinary resolution passed by the Shareholders of the Company in Extra Ordinary General Meeting of Company held on April 23, 2023.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
As at and for the year ended March 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

a. Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number	Amount	Number	Amount
Equity shares with voting rights				
At the beginning of the year	6,53,10,503	130.62	6,44,81,220	128.96
Add: Shares issued during the year	59,600	0.12	8,29,283	1.66
At the end of the year	**6,53,70,103**	**130.74**	**6,53,10,503**	**130.62**

b. Details of shares held by each shareholder holding more than 5% shares

Class of shares / Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with equal voting rights				
Mrs. Poonam Khushlani	1,40,39,480	21.48%	1,40,39,480	21.50%
Mr. Kamal Khushlani	1,83,09,220	28.01%	1,83,09,220	28.03%
M/s. Bennett, Coleman & Company Limited	53,88,555	8.24%	53,88,555	8.25%

c. Details of shares held by promoters at the end of the year *

Class of shares / Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with equal voting rights				
Mrs. Poonam Khushlani	1,40,39,480	21.48%	1,40,39,480	21.50%
(Percentage change during the year)		(0.02%)		(0.04%)
Mr. Kamal Khushlani	1,83,09,220	28.01%	1,83,09,220	28.03%
(Percentage change during the year)		(0.02%)		(0.07%)
Mr. Andrew Khushlani	18,06,000	2.76%	18,06,000	2.77%
(Percentage change during the year)		(0.01%)		(0.04%)
Ms. Sonakshi Khushlani	18,06,000	2.76%	18,06,000	2.77%
(Percentage change during the year)		(0.01%)		(0.04%)

* Promoters means promoters as defined in the Companies Act, 2013.

d. Shares reserved for issue under stock option plan:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number	Amount	Number	Amount
Equity shares of ₹ 2 each with equal voting rights	18,22,497	3.64	19,12,097	3.82

e. Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2 each (Refer note 16 g). 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 amount. The distribution will be in proportion to the number of equity shares held by the shareholders. The 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.

f. Bonus-issue of equity shares

The Company has allotted 96,45,282 fully paid-up shares of face value ₹ 10 each on April 07, 2023, pursuant to bonus issue approved by the shareholders in the Extraordinary General Meeting dated February 14, 2023. For the bonus issue, bonus share of three equity share for every one equity shares held, has been allotted.

g. Sub-division of equity shares

The Shareholders in their Extraordinary General Meeting dated April 18, 2023 approved sub-division of each authorised and issued equity shares of face value ₹ 10 into five equity shares of face value of ₹ 2 each.

(All amounts in ₹ millions, unless otherwise stated)

17 OTHER EQUITY

Particulars	As at March 31, 2026	As at March 31, 2025
Securities Premium	100.75	98.78
Share option outstanding account	16.88	14.28
Retained earnings	4,137.63	3,858.10
Total	**4,255.26**	**3,971.16**

(i) Securities Premium

Particulars	As at March 31, 2026	As at March 31, 2025
Balance as at beginning of the year	98.78	68.70
Transfer from share option outstanding account	0.22	5.74
Addition on issue of shares	1.75	24.34
Balance as at end of the year	**100.75**	**98.78**

Securities premium is used to record the premium on issue of shares. Securities premium is utilised in accordance with the provisions of the Companies Act, 2013.

(ii) Share option outstanding account

Particulars	As at March 31, 2026	As at March 31, 2025
Balance as at beginning of the year	14.28	14.26
Recognition of share based payments	2.82	5.76
Transfer to share premium	(0.22)	(5.74)
Balance as at end of the year	**16.88**	**14.28**

The above reserve relates to stock option granted by the Company to its employees under its employee stock option plan. Further information about share-based payments to employees is set out in note 37.

(iii) Retained earnings

Particulars	As at March 31, 2026	As at March 31, 2025
Balance as at beginning of the year	3,858.10	3,204.48
Add: Profit for the year	474.24	684.09
Less: Payment of dividend	(196.11)	(32.48)
Add: Other comprehensive income / (loss) arising from remeasurement of defined benefit obligation (net of tax)	1.40	2.01
Balance as at end of the year	**4,137.63**	**3,858.10**

Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity share holders.

18 BORROWINGS

Particulars	As at March 31, 2026	As at March 31, 2025
Secured - at amortised cost		
Non-current borrowings		
(a) Vehicle loans from bank (Refer note 1 below)	-	10.74
Total	**-**	**10.74**
Current borrowings		
(a) Current maturities of long-term borrowings (secured)		
Vehicle loans from bank (Refer note 1 below)	-	3.42
Total	**-**	**3.42**

1 Vehicle loans

1.1 Interest

Interest rate on vehicle loan applicable during the year prior to full repayment was 8.70% per annum.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
As at and for the year ended March 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

1.2 Repayment terms

The repayment schedule of outstanding balances of vehicle loan is as under:

Repayable in	As at March 31, 2026	As at March 31, 2025
2025-26	-	3.42
2026-27	-	3.73
2027-28	-	4.06
2028-29	-	2.95
Total	**-**	**14.16**

1.3 Security

Vehicle loan is secured by first and exclusive charge on the corresponding vehicle.

1.4 Prepayment terms

Prepayment of term loan prior to completion of tenure shall attract a penal charge.

2 Cash credit facility

Cash credit from banks are secured by hypothecation of existing current assets and immovable assets of the Company.

3 Working capital demand loan

Working capital facilities and other fund based facilities i.e. working capital demand loan and are secured by hypothecation of inventories, book debts and receivables.

19 OTHER FINANCIAL LIABILITIES

Particulars		As at March 31, 2026	As at March 31, 2025
	Non-Current		
(a)	Security deposits received	398.88	411.79
	Total	**398.88**	**411.79**
	Current		
(b)	Creditors for capital goods	18.46	3.22
(c)	Interest accrued but not due on borrowings	-	0.07
(d)	Interest accrued and due on security deposits	6.59	6.17
(e)	Interest to MSME vendors	4.00	3.79
	Total	**29.05**	**13.25**

20 PROVISIONS

Particulars	As at March 31, 2026	As at March 31, 2025
Non-Current		
Provision for employee benefits:		
Provision for gratuity (Refer note no. 36)	52.91	38.02
Total	**52.91**	**38.02**
Current		
Provision for employee benefits:		
Provision for gratuity (Refer note no. 36)	16.61	12.67
Other provisions		
Provision for loyalty points	9.84	10.15
Total	**26.45**	**22.82**

Customer loyalty points

Particulars	As at March 31, 2026	As at March 31, 2025
As at the beginning of the year	10.15	37.62
Deferred during the year	9.84	10.15
Released to the statement of profit and Loss	(10.15)	(37.62)
As at the end of the year	**9.84**	**10.15**

The Company estimates the fair value of points awarded under the loyalty programme by applying statistical techniques. Inputs to the model includes making assumptions about expected redemption basis the Company's historic trends of redemption and expiry period of the points and such estimates are subject to significant uncertainty.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
As at and for the year ended March 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

21 OTHER LIABILITIES

Particulars		As at March 31, 2026	As at March 31, 2025
	Current		
(a)	Advances from customers	2.79	4.33
(b)	Statutory dues (Refer note (i) below)	32.49	29.06
(c)	Refund liability for expected sales return (Refer note (ii) below)	464.28	361.17
(d)	Accrued payroll and employee benefits	34.71	41.99
(e)	Outstanding expenses - IPO	-	23.28
(f)	Unclaimed dividend	0.19	0.03
	Total	**534.46**	**459.86**

Note:

(i) Statutory dues include goods and service tax, tax deducted at source, provident fund, profession tax, labour welfare fund.

(ii) Other current liabilities include refund liabilities relating to the right of return in accordance with the Company's policy. At the point of sale, the Company recognises a refund liability along with a corresponding adjustment to revenue for products expected to be returned. The estimate of returns is determined using the expected value method, based on the Company's accumulated historical experience and seasonal trends.

22 TRADE PAYABLES

Particulars		As at March 31, 2026	As at March 31, 2025
(i)	Total outstanding dues of micro enterprises and small enterprises	97.23	79.84
(ii)	Total outstanding dues of creditors other than micro enterprises and small enterprises	170.05	176.09
	Total	**267.28**	**255.93**

Note:

(i) The average credit period on purchases of goods and services are within 30 to 75 days.

(ii) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.

Particulars		As at March 31, 2026	As at March 31, 2025
(a)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
	Principal*	107.87	82.78
	Interest	4.00	3.79
(b)	The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	0.21	0.46
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.21	0.51
(e)	The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006.	-	0.05

Dues to Micro and Small Enterprises (MSME) 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.

*Includes dues of MSME Creditors for capital goods amounting to ₹ 10.64 million (as at March 31, 2025 ₹ 2.94 million) as per Note 19.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
As at and for the year ended March 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

(iii) Trade payable analysis

Outstanding for following periods from date of transaction

Particulars	As at March 31, 2026	As at March 31, 2025
Undisputed dues		
Micro enterprises and small enterprises		
Unbilled	-	-
Not due	-	-
Less than 1 year	97.20	79.82
1-2 years	-	0.02
2-3 years	0.01	-
More than 3	0.02	-
	97.23	**79.84**
Other than micro enterprises and small enterprises		
Unbilled	-	53.94
Not due	-	-
Less than 1 year	162.75	115.01
1-2 years	1.58	4.08
2-3 years	2.66	1.01
More than 3	3.06	2.05
	170.05	**176.09**
Total	**267.28**	**255.93**

(iv) There are no disputed trade payables as at March 31, 2026 and March 31, 2025.

(v) Relationship with Struck off Companies: During the current financial year, Company doesn't have any transactions and outstanding balances with struck off Companies.

23 CURRENT TAX LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Income tax liability (Refer note (i) below)	42.79	18.95
Total	**42.79**	**18.95**

Note:

(i) The above income tax liability is net of advance tax and tax deducted at source, ₹ 169.01 million (as at March 31, 2025, ₹ 257.23 million)

24 REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of products (traded goods)	5,921.03	6,181.80
Total	**5,921.03**	**6,181.80**

Reconciliation of revenue recognised with contract price:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Contract price of sale of products	8,654.87	8,408.17
Less:		
Sales return	(2099.76)	(1604.74)
Discount	(602.20)	(614.22)
Customer loyalty points & gift vouchers	(31.88)	(7.41)
Net revenue from sale of products	**5,921.03**	**6,181.80**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
As at and for the year ended March 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

25 OTHER INCOME

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
(a)	Interest received on		
	Financial assets measured at amortised cost		
	Bank deposits	28.36	12.04
	Security deposits	18.66	14.96
	Others	0.81	1.50
(b)	Other gains and losses		
	Rental income (Refer note 6 (i))	4.94	4.69
	Profit on property, plant and equipment sold	0.28	1.45
	Discount received	7.67	13.33
	Sundry balances written back	0.94	0.03
	Excess provisions written back	-	0.93
	Gain on termination of leases (Net)	46.75	8.43
	Security Deposit - Written Back	-	3.14
	Miscellaneous income	0.09	0.29
	Total	**108.50**	**60.79**

26 COST OF MATERIALS CONSUMED

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
(a)	Opening stock (including Goods-in-transit)	45.28	57.67
	Add: Purchase of raw materials	137.30	139.55
	Less: Closing stock (including Goods-in-transit)	(47.58)	(45.28)
	Total (a)	**135.00**	**151.94**
(b)	Purchases of stock-in-trade	2,414.14	2,271.97
	Total	**2,549.14**	**2,423.91**

27 CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-TRADE

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
(a)	Closing stock		
	Finished goods	63.11	6.13
	Stock-in-trade	992.85	966.75
		1,055.96	**972.88**
(b)	Opening stock		
	Finished goods	6.13	30.29
	Stock-in-trade	966.75	1,161.43
		972.88	**1,191.72**
	Total	(83.08)	**218.84**

28 EMPLOYEE BENEFITS EXPENSES

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
(a)	Salaries, wages and bonus	326.82	291.04
(b)	Share-based payments (Refer note 37)	2.81	5.76
(c)	Contribution to provident and other funds	4.83	4.42
(d)	Gratuity expenses (Refer note 36)	8.29	7.71
(e)	Staff welfare expenses	11.47	11.68
	Total	**354.22**	**320.61**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
As at and for the year ended March 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

29 FINANCE COSTS

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
(a)	Interest expenses for financial liabilities (classified at amortised cost)		
	Borrowings	0.81	8.14
	Trade payables	0.21	0.51
	Security deposits	26.09	25.82
(b)	Interest on lease liabilities (Refer note 5b)	207.36	196.72
(c)	Interest on delayed payment of taxes	0.63	0.44
(d)	Others	19.63	23.38
	Total	**254.73**	**255.01**

30 DEPRECIATION AND AMORTISATION EXPENSES

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
(a)	Depreciation on property, plant and equipment (Refer note 5a)	204.01	215.07
(b)	Depreciation on right of use assets (Refer note 5b)	539.16	468.80
(c)	Depreciation on investment properties (Refer note 6)	0.38	0.38
(d)	Amortisation of other intangible assets (Refer note 7)	0.15	1.40
	Total	**743.70**	**685.65**

31 OTHER EXPENSES

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
(a)	Power and fuel	43.95	40.62
(b)	Rent	48.58	82.48
(c)	Repair and maintenance	21.87	15.53
(d)	Insurance expenses	7.91	14.34
(e)	Rates and taxes	35.25	2.93
(f)	Communication	7.31	6.99
(g)	Travelling and conveyance	48.65	52.99
(h)	Printing and stationery	2.73	2.50
(i)	Freight charges	63.19	59.05
(j)	Sales commission	185.79	214.57
(k)	Advertisement	354.52	219.95
(l)	Sales promotion	54.95	98.25
(m)	Net loss on foreign currency transactions and translation other than considered as finance costs	0.02	0.01
(n)	Legal and professional	46.93	45.66
(o)	Payments to auditors (Refer note 31.A)	3.01	2.80
(p)	Expenditure on corporate social responsibility (Refer note 38)	18.60	15.55
(q)	Loss on property, plant and equipment sold and written off	38.30	12.88
(r)	Computer and software charges	21.77	18.54
(s)	Labour charges	5.51	6.22
(t)	Security charges	10.35	8.53
(u)	Store expenses	101.49	95.58
(v)	Courier charges	4.66	17.16
(w)	Manpower expenses	420.08	369.47
(x)	Security deposit written off	-	0.80
(y)	Allowance for expected credit loss on receivables	-	2.05

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(z) Allowance for doubtful security deposits	-	0.35
(aa) Director sitting fees	1.76	1.80
(ab) Miscellaneous expenses	11.67	12.67
Total	**1,558.85**	**1,420.27**

Note:

31A Payment to auditors comprise (net of tax input credit, where applicable)*:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
To Statutory auditors for:		
(a) For Audit	2.70	2.70
(b) For Certification	0.05	-
(c) Reimbursement of expenses	0.26	0.10
Total	**3.01**	**2.80**

31B Exceptional Item

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Impact of New Labour Code (Refer note below)	**13.97**	**-**
Total	**13.97**	**-**

During the year ended March 31, 2026, the Central Government of India has notified the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, collectively referred to as the 'New Labour Codes', effective from November 21, 2025 primarily impacting the wage definition to be considered for the purpose of defined benefit obligation relating to gratuity. The new Labour Codes introduced by the Government of India, interalia, requires gratuity to be calculated based on wages constituting at least 50% of total remuneration. This has resulted in an increase in gratuity benefits in respect of services rendered in prior periods, and accordingly, the Company has recognised past service cost amounting to ₹ 13.97 million during the year, which has been presented as 'Exceptional Item'. In accordance with Ind AS 19, the past service cost has been recognised in the statement of profit and loss in the current year in which the plan amendment became effective.

32 TAX EXPENSE

(i) Income tax recognised in Statement of Profit or Loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Current tax	211.80	276.18
(b) Excess provision of income tax in relation to earlier years	(0.31)	(1.07)
(c) Deferred tax credit	(47.73)	(40.90)
Total	**163.76**	**234.21**

(ii) The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax	638.00	918.30
Tax rate	25.168%	25.168%
Income tax expense calculated	160.57	231.12
Adjustment		
Expense that are not deductible in determining taxable profit	4.19	3.77
Excess provision of income tax in relation to earlier years	(0.31)	(1.07)
Others	(0.69)	0.39
	3.19	3.09
Income tax expense recognised in Statement of Profit or Loss	**163.76**	**234.21**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
As at and for the year ended March 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

(iii) Income tax recognised in other comprehensive income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
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	(0.48)	(0.68)
Total	(0.48)	(0.68)

33 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A. Contingent Liabilities		
Claims against the Company not acknowledged as debts (Refer note (i) below)		
Income tax matters	4.58	4.00
Goods and service tax matters	41.24	40.57
Other matters (Refer note (ii) below)	7.58	7.58
B. Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances (Refer note 12(a) and (iv) below)	20.36	3.28
Bank Guarantee given (Refer note (v) below)	-	27.50

Notes:

(i) The Company has assessed all its pending litigation and proceedings and has adequately provided where provision are required. The Company has disclosed contingent liabilities wherever applicable. The resolution of these legal proceedings is not likely to have a material and adverse effect on the results of operations or the financial position of the Company.

(ii) Other matters includes:

a) Bonus liability amounting to ₹ 3.87 million for the 2014-15 is pending for settlement with judiciary authorities.

b) The vendors have raised claims amounting to ₹ 3.71 (as at March 31, 2025 ₹ 3.71 million) on account of non-payment in accordance with the terms of the respective contracts. The Company has contested these claims, asserting that the vendors have not complied with certain contractual terms. The matters are currently pending before the appropriate jurisdictional authorities.

(iii) Apart from the commitments disclosed above, the Company has no financial commitments other than those in the nature of regular business operations.

(iv) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(v) In the previous financial year, bank guarantee amounting to ₹ 27.50 million given to Bombay Stock Exchange (BSE) in relation to Initial Public Offer (IPO)

34 SEGMENT REPORTING

The Company is primarily engaged in the business of retailing of men's casual wear under its Brand MUFTI, which in the terms of Ind AS 108 on 'Operating Segments', constitutes a single reporting business segment.

There are no material individual markets outside India and hence the same is not disclosed for geographical segments for the segment revenues or results or assets. During the year ended March 31, 2026 and March 31, 2025, revenue from transactions with a single external customer did not amount to 10 % or more of the Company's revenues from the external customers.

(All amounts in ₹ millions, unless otherwise stated)

35 EARNINGS PER SHARE ('EPS')

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Basic earnings per share		
Profit for the year (A)	**474.24**	**684.09**
Weighted Number of equity shares outstanding	6,53,10,503	6,44,81,220
Add: Increase in number of shares on account of shares exercised under stock option plan.	46,864	4,42,118
Weighted average number of shares outstanding during the year for Basic EPS (B)	**6,53,57,367**	**6,49,23,338**
Basic earnings per share in ₹ (C=A/B)	**7.26**	**10.54**
Diluted earnings per share		
Profit for the year (A)	**474.24**	**684.09**
Weighted average number of shares outstanding during the year for Basic EPS	6,53,57,367	6,49,23,338
Add: Weighted average number of potential equity shares*	75,825	75,825
Weighted average number of equity shares for Diluted EPS (B)	**6,54,33,192**	**6,49,99,163**
Diluted earnings per share in ₹ (C=A/B)	**7.25**	**10.52**

*Stock options granted to the employees under employee stock option plan are considered to be potential equity shares. The same is considered in the determination of diluted earnings per share to the extent that they are not anti-dilutive. The stock options are not included in the determination of basic earnings per share.

36 EMPLOYEE BENEFIT PLANS

Disclosure on Retirement Benefits as required in Indian Accounting Standard (Ind AS) 19 on "Employee Benefits" are given below:

A. Defined Contribution Plan

The Company's contribution to Provident & Other Funds is ₹ 4.83 million for the year ended March 31, 2026 (for the year ended March 31, 2025: ₹ 4.42 million), has been recognised in the Statement of Profit and Loss under the head employee benefit expense.

B. 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

A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision.

Mortality risk

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Salary Risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset Liability Matching Risk:

The plan faces the ALM risk as to the matching cash flow. entity has to manage pay-out based on pay as you go basis from own funds.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
As at and for the year ended March 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

(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, 2026	Valuation As at March 31, 2025
(i) Discount rate(s)	7.14%	6.61%
(ii) Expected rate(s) of salary increase	10.00%	10.00%
(iii) Mortality table used	IALM (2012-14) Urban	IALM (2012-14) Urban
(iv) Attrition rate		
Service 1 year and below	12.12%	12.07%
Service 2 years to 3 years	12.12%	12.07%
Service 4 years to 5 years	12.12%	12.07%
Service 6 years and above	12.12%	12.07%

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 obligation. 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 funded status of the defined benefit scheme in respect of gratuity:

Particulars	Gratuity As at March 31, 2026	Gratuity As at March 31, 2025
I. Amounts recognised in statement of profit or loss in respect of these defined benefit plans are as follows:		
(i) Current service cost	4.79	4.23
(ii) Past service cost and (gains)/losses from settlements	13.72	-
(iii) Net interest expense	3.75	3.48
Components of defined benefit costs recognised in statement of profit and loss	**22.26**	**7.71**
Remeasurement on the net defined benefit liability		
(i) Actuarial (gains)/loss arising form changes in financial assumptions	(1.85)	1.40
(ii) Actuarial (gains)/loss arising form changes in demographic assumptions	(0.03)	(1.54)
(iii) Actuarial (gains)/loss arising form experience adjustments	0.01	(2.56)
Components of defined benefit costs recognised in other comprehensive income	**(1.87)**	**(2.70)**
Total	**20.39**	**5.01**

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'.

II. Net Asset/(Liability) recognised in the Balance Sheet

Particulars	Gratuity As at March 31, 2026	Gratuity As at March 31, 2025
(i) Present value of defined benefit obligation	(69.52)	(50.69)
(ii) Fair value of plan assets	-	-
(iii) **Surplus**	**(69.52)**	**(50.69)**
(iv) Current portion of the above	(16.61)	(12.67)
(v) Non current portion of the above	(52.91)	(38.02)

(All amounts in ₹ millions, unless otherwise stated)

III. Change in the obligation during the year

Particulars	As at March 31, 2026	As at March 31, 2025
Present value of defined benefit obligation at the beginning of the year	50.69	48.35
Expenses recognised in statement of profit and loss		
Current service cost	4.79	4.23
Past Service Cost	13.72	-
Interest expense (income)	3.75	3.48
Recognised in Other Comprehensive Income	-	-
Remeasurement gains / (losses)	-	-
Actuarial gain (loss) arising from:		
i. Financial assumptions	(1.85)	1.40
ii. Demographic assumptions	(0.03)	(1.53)
iii. Experience adjustments	0.01	(2.56)
Benefit payments	(1.56)	(2.68)
Present value of defined benefit obligation at the end of the year	**69.52**	**50.69**

(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:

	Particulars	Change in assumption	Impact on defined benefit obligation	
			Increase in assumption	Decrease in assumption
(i)	**Discount rate**			
	As at March 31, 2026		(3.11)	3.46
	As at March 31, 2025		(2.33)	2.60
(ii)	**Salary growth rate**			
	As at March 31, 2026		2.44	(2.38)
	As at March 31, 2025		1.99	(1.90)
(iii)	**Rate of employee turnover**			
	As at March 31, 2026		(0.38)	0.40
	As at March 31, 2025		(0.36)	0.39

Note:

I. The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the Defined Benefit Obligation as recognised in the balance sheet.

II. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
As at and for the year ended March 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

37 SHARE-BASED PAYMENTS

A. Credo stock option plan 2020

a. The shareholders of the Company, vide special resolution dated November 05, 2020, authorised the Board to grant options under one or more stock option plans. Pursuant to the said approval from the shareholders the Board adopted Credo stock option plan 2020 and granted options to the permanent employees of the Company for the first time on November 06, 2020, second time on November 06, 2021 and third time on August 14, 2023.

The Company has used the Fair Value Method by applying Black and Scholes Option Pricing Model to measure share-based payments plan.

b. Options granted would vest over a maximum period of 5 years, while the exercise period is 10 years from the date of grant. Options vest on account of passage of time as well as on fulfilling certain performance criteria. The options exercised would be settled in Equity.

c. There were no modification to the awards during the year ended March 31, 2026. Grant 1 issued on November 06, 2020 has been fully exercised in the earlier years. Details and movement of the outstanding options as at the end of the financial year are as follows:

As at March 31, 2026

Particulars	Grant 2	Grant 3	Grant 4	Grant 5
Date of grant	November 06, 2020	November 06, 2020	November 06, 2020	November 06, 2020
Options granted under ESOP				
Options outstanding at the beginning of the year	12,38,757	4,95,840	80,000	97,500
Options granted during the year	-	-	-	-
Options forfeited during the year	(15,000)	(15,000)	-	-
Options exercised during the year	(18,000)	(41,600)	-	-
Options expired during the year	-	-	-	-
Options outstanding at the end of the year	**12,05,757**	**4,39,240**	**80,000**	**97,500**
Options exercisable at the end of the year	12,05,757	4,39,240	40,000	37,500
Exercise price of the outstanding options (₹)	31.35	31.35	31.35	31.35
Remaining contractual life of the outstanding options (years)	4.60	4.60	5.60	7.38
Dividend yield (%)	0.39%	0.39%	0.39%	0.07%
Expected Life (Time to Maturity)	6.16	6.08	6.50	6.25
Risk free interest rate (%)	5.58%	5.61%	6.12%	7.07%
Volatility*	15.00%	15.00%	15.00%	44.04%
Weighted average fair value	4.92	4.99	6.25	141.02

As at March 31, 2025

Particulars	Grant 2	Grant 3	Grant 4	Grant 5
Date of grant	November 06, 2020	November 06, 2020	November 06, 2020	November 06, 2020
Options granted under ESOP				
Options outstanding at the beginning of the year	17,60,140	7,34,240	1,27,000	1,20,000
Options granted during the year	-	-	-	-
Options forfeited during the year	-	-	-	-
Options exercised during the year	(5,21,383)	(2,38,400)	(47,000)	(22,500)
Options expired during the year	-	-	-	-
Options outstanding at the end of the year	**12,38,757**	**4,95,840**	**80,000**	**97,500**
Options exercisable at the end of the year	12,23,757	4,80,840	-	7,500
Exercise price of the outstanding options (₹)	31.35	31.35	31.35	31.35
Remaining contractual life of the outstanding options (years)	5.60	5.60	6.60	8.38
Dividend yield (%)	0.39%	0.39%	0.39%	0.07%

Particulars	Grant 2	Grant 3	Grant 4	Grant 5
Expected Life (Time to Maturity)	6.16	6.08	6.50	6.25
Risk free interest rate (%)	5.58%	5.61%	6.12%	7.07%
Volatility*	15.00%	15.00%	15.00%	44.04%
Weighted average fair value	4.92	4.99	6.25	141.02

* Based on historical volatility of comparable companies over periods corresponding to the remaining life of the respective options.

The Expected life of the share option is based on historical data and Current expectation and is not necessarily indicative of exercise pattern that may occur.

38 CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilised through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a)	Amount required to be spent by the Company during the year	18.60	15.55
(b)	Amount of expenditure incurred	(18.60)	(15.55)
(c)	Short / (excess) amount spent		-
(d)	Nature of CSR Activities	Promotion of health care	Promotion of health care
(e)	Details of related party transactions	-	-
(f)	Where a provision is made with report to a liability incurred by entering into a contractual obligation, the movements in the provision	Not Applicable	Not Applicable

Note:

(i) As per section 135 of the Companies Act, 2013, the amount required to be spent by the Company during the year is disclosed above.

39 RELATED PARTY DISCLOSURE

a. Names of related parties and related party relationships

I. Key management personnel

(a) Mr. Kamal Khushlani (Chairman and Managing Director)

(b) Mrs. Poonam Khushlani (Whole-time Director)

(c) Mr. Amer Jaleel (Independent Director)

(d) Mr. Paresh Bambolkar (Independent Director)

(e) Mr. Manoj Nakra (Non-executive Director)

(f) Mrs. Ramona Jogeshwar (Independent Director)

(g) Mr. Rasik Mittal (CFO)

(h) Mr. Sanjay Kumar Mutha (Company Secretary)

II. Relatives of key management personnel

(a) Ms. Sonakshi Khushlani (Daughter of Mr. Kamal and Mrs. Poonam Khushlani)

(b) Mr. Andrew Khushlani (Son of Mr. Kamal and Mrs. Poonam Khushlani)

III. Enterprises controlled by / under significantly influenced by directors and /or their relatives:

(a) Smart Global Solution and Services

b. Related party transactions

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Transactions during the year		
Payment of TDS on behalf of		
KAPS Mercantile Private Limited	-	0.01
Payment of expenses on behalf of		
KAPS Mercantile Private Limited	-	0.02
Remuneration		
Mr. Kamal Khushlani	31.56	35.40
Mrs. Poonam Khushlani	5.04	5.04

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
As at and for the year ended March 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Ms. Sonakshi Khushlani	0.73	1.84
Mr. Andrew Khushlani	1.69	1.35
Mr. Rasik Mittal	25.00	14.95
Mr. Sanjay Kumar Mutha	6.43	6.02
Final dividend paid		
Mr. Kamal Khushlani	54.93	9.06
Mrs. Poonam Khushlani	42.12	6.94
Ms. Sonakshi Khushlani	5.42	0.90
Mr. Andrew Khushlani	5.42	0.90
Mr. Rasik Mittal	0.47	0.11
Mr. Sanjay Kumar Mutha	-	0.01
Issue of equity shares under stock option plan		
Mr. Rasik Mittal	-	0.60
Mr. Sanjay Kumar Mutha	-	0.05
Provision for share-based payments		
Mr. Rasik Mittal	-	0.20
Mr. Sanjay Kumar Mutha	2.79	5.28
Sitting fees		
Mr. Amer Jaleel	0.50	0.53
Mr. Paresh Bambolkar	0.40	0.48
Mr. Manoj Nakra	0.48	0.50
Mrs. Ramona Jogeshwar	0.38	0.30
Professional fees		
Smart Global Solution and Services	4.80	3.44

c. Related party outstanding balances

Particulars	As at March 31, 2026	As at March 31, 2025
Investment in equity share capital		
KAPS Mercantile Private Limited	-	21.40
Impairment of investment in equity share capital		
KAPS Mercantile Private Limited	-	(21.40)
Trade payables		
Smart Global Solution and Services	0.44	0.31
Remuneration payable		
Mr. Kamal Khushlani	-	7.80
Mrs. Poonam Khushlani	0.18	0.16
Ms. Sonakshi Khushlani	-	0.11
Mr. Andrew Khushlani	-	0.07
Mr. Rasik Mittal	4.75	3.23
Mr. Sanjay Kumar Mutha	0.29	0.67
Sitting Fees		
Mr. Amer Jaleel	0.11	-
Mr. Paresh Bambolkar	0.07	-
Mr. Manoj Nakra	0.09	-
Mrs. Ramona Jogeshwar	0.07	-

d. Compensation of key management personnel

The remuneration of directors and other members including relatives of key management personnel during the year was as follows:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Short-term benefits	70.45	64.60
Share-based payments	2.79	5.48
Total	**73.24**	**70.08**

Note:

(i) As the liabilities for defined benefit plans are provided on actuarial basis for the Company, the amounts pertaining to Key Managerial Personnel are not included.

(All amounts in ₹ millions, unless otherwise stated)

40 FINANCIAL INSTRUMENTS

40.1 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, benefits to 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 16 and 17) and net debt (Refer note 18 and 15).

The Company's management reviews the capital structure on a regular basis. As part of this review, the management considers the cost of capital, risks associated with each class of capital.

Gearing ratio

Following is the Company's gearing ratio:

Particulars	As at March 31, 2026	As at March 31, 2025
Debt (Refer note (i))	2,281.52	2,369.90
Less: Cash and bank balances	(724.45)	(452.30)
Net Debt (I)	**1,557.07**	**1,917.60**
Total equity (II)	**4,386.00**	**4,101.78**
Net debt to equity ratio (I/II)	**35.50%**	**46.75%**

Note:

(i) Debt is defined as long-term and short-term borrowing and lease liabilities.

40.2 Categories of financial instruments

Particulars		As at March 31, 2026	As at March 31, 2025
	Financial assets		
	Measured at amortised cost*		
(a)	Trade receivables	2,362.85	2,391.21
(b)	Cash and cash equivalents	524.45	452.30
(c)	Other bank balances	201.63	1.62
(d)	Other financial assets	262.52	257.38
	Financial liabilities		
	Measured at amortised cost*		
(a)	Borrowings	-	14.16
(b)	Lease liabilities	2,281.52	2,355.74
(c)	Trade payables	267.28	255.93
(d)	Other financial liabilities	427.93	425.04

At the end of the reporting period, the carrying amount reflected above represents the Company's maximum exposure to credit risk for such financial assets.

*The fair values of the above financial assets and liabilities approximate their carrying amounts.

40.3 Financial risk management objectives

Ensuring liquidity is sufficient to meet Company's operational requirements, the Company's management 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.

40.3.1 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. Market risk includes currency risk, interest risk and price risk. There are no material market risk affecting the financial position of the Company.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
As at and for the year ended March 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

40.3.1.1 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.

40.3.1.2 Interest risk

Interest risk is the risk or uncertainty arising from possible interest rate movements and their impact on the future obligation and cash flow of a business. There are no material interest risk affecting the financial position of the Company.

40.3.1.3 Price risk

Price 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 price risk affecting the financial position of the Company.

40.3.1.4 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.

Particulars	As at March 31, 2026	As at March 31, 2025
Assets (INR)		
USD	1.49	-
HKD	-	-
SGD	-	-
AED	0.18	-
Total	**1.67**	**-**

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 ₹ 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 year 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, 2026	As at March 31, 2025
Profit or (loss)		
INR strengthens by 10%	1.50	-
INR weakening by 10%	1.84	-

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting year does not reflect the exposure during the year.

40.3.2 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. 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. 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.

40.3.3 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 & 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.

(All amounts in ₹ millions, unless otherwise stated)

Particulars	Weighted average effective interest rate (%)	Upto 1 year	1 - 5 year	More than 5 years	Total	Carrying amount
As at March 31, 2026						
Non-Interest bearing						
Trade payables	0.00%	267.28	-	-	267.28	267.28
Other financial liabilities	0.00%	29.05	-	-	29.05	29.05
Variable Interest rate instruments						
Lease Liabilities	0.00%	646.73	1,791.11	484.46	2,922.30	2,281.52
Fixed Interest rate instruments						
Security Deposit received	6.16%	-	398.88	-	398.88	398.88
Total		**943.06**	**2,189.99**	**484.46**	**3,617.51**	**2,976.73**

Particulars	Weighted average effective interest rate (%)	Upto 1 year	1 - 5 year	More than 5 years	Total	Carrying amount
As at March 31, 2025						
Non-Interest bearing						
Trade payables	0.00%	255.93	-	-	255.93	255.93
Other financial liabilities	0.00%	13.25	-	-	13.25	13.25
Variable Interest rate instruments						
Vehicle loans from others	8.70%	3.42	10.74	-	14.16	14.16
Lease Liabilities	8.44%	596.62	2,106.29	339.03	3,041.94	2,355.74
Fixed Interest rate instruments						
Security Deposit received	6.33%	-	411.79	-	411.79	411.79
Total		**869.22**	**2,528.82**	**339.03**	**3,737.07**	**3,050.87**

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, 2026	As at March 31, 2025
Undrawn cash credit limit	700.00	700.00
Undrawn overdue limit	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
As at and for the year ended March 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

41 RATIOS

Ratio	Formulae	As at March 31, 2026	As at March 31, 2025	Variance	Reasons
Current Ratio					
Numerator	Current Assets	4,459.30	4,149.85	(9.37)%	Not Applicable
Denominator	Current Liabilities	1,361.65	1,148.46		
		3.27	3.61		
Debt-Equity Ratio					
Numerator	Borrowings + Lease Liabilities	2,281.52	2,369.90	(9.97)%	Not Applicable
Denominator	Shareholder's Equity	4,386.00	4,101.78		
		0.52	0.58		
Debt Service Coverage ratio					
Numerator	Earnings available for debt service	1,510.69	1,636.18	(17.98)%	Not Applicable
Denominator	Debt Service	917.28	814.84		
		1.65	2.01		
Return on Equity Ratio					
Numerator	Net Profits after taxes	474.24	684.09	(38.60)%	The variance is on account of the following:
Denominator	Average Shareholder's Equity	4,243.89	3,759.09		a. Decrease in Sales by 4.22% in CY in comparison with PY.
		11.17%	18.20%		
Inventory Turnover Ratio					
Numerator	Revenue from Operations	5,921.03	6,181.80	2.37%	Not Applicable
Denominator	Average Inventory	1,060.85	1,133.78		
		5.58	5.45		
Trade Receivables Turnover Ratio					
Numerator	Revenue from Operations	5,921.03	6,181.80	(9.07)%	Not Applicable
Denominator	Average Accounts Receivable	2,377.03	2,256.68		
		2.49	2.74		
Trade Payables Turnover Ratio					
Numerator	Total Purchases	2,551.44	2,411.52	(4.29)%	Not Applicable
Denominator	Average Trade Payables	261.61	236.66		
		9.75	10.19		

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
As at and for the year ended March 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

Ratio	Formulae	As at March 31, 2026	As at March 31, 2025	Variance	Reasons
Net Capital Turnover Ratio					
Numerator	Revenue from Operations	5,921.03	6,181.80	(16.97)%	Not Applicable
Denominator	Average Working Capital	3,049.52	2,643.63		
		1.94	2.34		
Net Profit Ratio (*)					
Numerator	Net Profits after taxes	474.24	684.09	(27.62)%	The variance is on account of the following: a. Decrease in Sales by 4.22% in CY in comparison with PY.
Denominator	Revenue from Operations	5,921.03	6,181.80		
		8.01%	11.07%		
Return on Capital Employed (*)					
Numerator	Earnings before interest and taxes	892.73	1,173.31	(28.08)%	The variance is on account of the following: a. Decrease in Sales by 4.22% in CY in comparison with PY. b. Increase in Expenses by 1.06% in CY in comparison with PY.
Denominator	Average Capital Employed	6,569.60	6,209.94		
		13.59%	18.89%		
Return on Investment					
Numerator	Earnings before interest and taxes	-	-	-	Not Applicable
Denominator	Average of Total Investments				

42 ADDITIONAL REGULATORY INFORMATION

(a) Title deeds of all immovable properties are held in the name of the Company.

(b) The Company has not revalued its property, plant and equipment (including right-of-use assets) and other intangible assets during the current and previous year.

(c) No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibitions Act, 1988 and the rules made thereunder.)

(d) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

(e) The Company has registered all its charges or satisfaction with Registrar of Companies within the statutory period.

(f) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

(g) The Company has not advanced or loaned or invested funds to/in any other person(s) or entity(ies) including foreign entities (intermediaries) with the understanding that intermediary shall,

(i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate beneficiaries)

or

(ii) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
As at and for the year ended March 31, 2026

(All amounts in ₹ millions, unless otherwise stated)

(h) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that it will,

(i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries)

or

(ii) Provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries.

(j) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act 1961.

(k) The Company has not entered into any scheme of arrangement which has an accounting impact on current period or previous financial year.

(l) The Company has not traded or invested in crypto and virtual currency during the reporting periods.

(m) The Company has complied with the number of layers prescribed under the Companies Act, 2013, read with the Companies (Restriction on number of layers) Rules, 2017.

(n) The borrowings obtained by the Company from banks have been applied for the purposes for which such borrowings were taken.

43 DIVIDEND

(a) The Company has declared and paid dividend amounting to ₹ 196.11 million during the year ended March 31, 2026. (during the year ended March 31, 2025, 32.48 million)

(b) The Board of Directors has proposed a final dividend of ₹ 2 per share of face value of ₹ 2/- each for the financial year 2025-26, subject to the approval of the Shareholders in the ensuing Annual General Meeting.

The accompanying notes are an integral part of the Financial Statements. 1-43

As per our report of even date attached

For M S K C & Associates LLP
Chartered Accountants
(Firm Registration No. 001595S/S000168)

Ojas D. Joshi
(Partner)
(Membership No. 109752)

Place: Mumbai
Date: May 21, 2026

For and on behalf of the Board of Directors

Credo Brands Marketing Limited
CIN: L18101MH1999PLC119669

Kamal Khushlani
(Chairman and Managing Director)
DIN: 00638929

Poonam Khushlani
(Whole-time Director)
DIN: 01179171

Rasik Mittal
(Chief Financial Officer)

Sanjay Kumar Mutha
(Company Secretary)
(M. No. ACS15884)

Place: Mumbai
Date: May 21, 2026

Credo Brands Marketing Limited

B-8 MIDC Central Road, Marol, Andheri (E),
Mumbai - 400 093
Corporate: www.credobrands.in
E-Commerce: www.muftijeans.in