



globaldesi

AND



SUGARUSH

TOMMY HILFIGER  
WOMEN'S SMALL LEATHER GOODS



THE  
VERTICAL

HEAD



TOMMY HILFIGER  
TRAVEL GEAR

TOMMY HILFIGER  
SMALL LEATHER GOODS



**COMPANY INFORMATION****BOARD OF DIRECTORS:**

Mr. Prateek Maheshwari	:	Chairman & Managing Director
Mr. Abhinav Kumar	:	CFO & Whole Time Director
Ms. Annapurna Maheshwari	:	Non Executive Director
Mr. Narender Tulsidas Kabra	:	Independent Director
Mr. Kushagra Praveen Toshniwal	:	Independent Director
Mr. Manish Saxena	:	Non Executive Director

**CHIEF FINANCIAL OFFICER**

Mr. Abhinav Kumar

**COMPANY SECRETARY**

Ms. Swati Gupta

**STATUTORY AUDITORS**

Khandelwal & Jhaver,  
Chartered Accountant  
307-308, Bharti Bhawan,  
Hindi Sahitya, Samiti Campus  
11, RNT Marg, Indore (MP) 452001

**SECRETARIAL AUDITOR**

M/S. Manju Mundra & Co.  
Company Secretaries  
302, Blue Diamond Building,  
17-18 Diamond Colony,  
Indore - 452001 (M.P.)

**INTERNAL AUDITOR**

M/s. B Mantri & Co.  
Chartered Accountant Firm,  
208-209, The Horizon, Nath Mandir Road,  
11/5, South Tukoganj, Indore - 01

**BANKERS**

YES BANK  
STATE BANK OF INDIA  
ICICI BANK

**REGISTERED OFFICE**

4th Floor, A Wing, Chakala,  
Andheri - Kurla Road, Andheri (East)  
Mumbai - 400093 (MH)

**CORPORATE OFFICE**

140/2/2, Musakhedi Square,  
Ring Road,  
Indore - 452010 (MP)

**REGISTRAR & SHARE TRANSFER AGENT**

BigShare Services Private Limited  
Bharat Tin Works Building, 1st Floor,  
Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri East, Mumbai -400059

**NOTICE OF THE 11<sup>TH</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the **11th Annual General Meeting** of the Shareholders of Brand Concepts Limited will be held on Friday, **21st day of September, 2018 at 11.00 A.M.** at Ramada Plaza, Palm Grove, Juhu Beach Mumbai - 400049, the route map of which is given at back page, to transact the following:

**ORDINARY BUSINESSES**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2018, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Annapurna Maheshwari (DIN-00038346), who retires by rotation, and being eligible, offers herself for reappointment.
3. To appoint Statutory Auditors of the Company and fix their remuneration.

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

**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s Maheshwari and Gupta, Chartered Accountants (Firm Registration No: 006179C), be and is hereby appointed as Auditors of the Company in place of the retiring auditors Khandelwal & Jhavar, Chartered Accountants (Firm Registration No. 003923C), to hold office from the conclusion of this Annual General Meeting (“AGM”) till the conclusion of the sixteenth AGM to be held in the year 2023 (subject to ratification of their appointment at every AGM if so required under the Act), at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

**SPECIAL BUSINESS****4 Increase in remuneration of Mr. Abhinav Kumar, Executive Director & CFO**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013 and on the recommendations of Nomination & Remuneration Committee and the Board of Directors, the consent of Members of the Company be and is hereby accorded to increase the remuneration of Mr. Abhinav Kumar (DIN: 06687880), **Whole-time Director & CFO** of the Company as specified in the explanatory statement with effect from 1st April, 2018 for the remaining period of his appointment.

**RESOLVED FURTHER THAT** in the event of there being loss or inadequacy of profit for any financial year, the remuneration payable to Mr. Abhinav Kumar (DIN: 06687880) designated as **Executive Director & CFO** shall not exceed the remuneration payable to him in terms of the provisions of section 197 and Schedule V to the Companies Act, 2013 not exceeding Rs. 84,00,000/- (Rupees eighty four Lakhs Only) per year.

**RESOLVED FURTHER THAT** Mr. Abhinav Kumar (DIN: 06687880) shall also be entitled for the reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/amenities and other privileges, as from time to time, be available to other Senior Executives of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to vary and/or modify the terms and conditions of re-appointment including remuneration within the overall limits approved herein and settle any question or difficulty in connection therewith and incidental thereto and to settle any question, or doubt that may arise in relation thereto and the Board shall have absolute powers to decide breakup of the remuneration within the above said maximum permissible limit and in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts deeds, things and execute all such documents as may be considered necessary, in order to give effect to the foregoing resolution.”

**5 Confirmation of Mr. Manish Saxena as director**

To consider and if thought fit to pass, with or without modification, the following resolution as special resolution-

**"RESOLVED THAT** pursuant to the provisions of sections 161 and 164 of the Companies Act, 2013 read with relevant Rules of the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable sections/rules Mr. Manish Saxena (DIN-0814657) who was recommended by the Nomination and Remuneration Committee and appointed by the Board of Directors as an additional under the category of Non-Executive Director of the Company with effect from 22-03-2018 and who holds office up to the date of this Annual General Meeting and in respect of whom a notice has been received from a member in writing, under Section 160 of the Companies Act, 2013 proposing his candidature and who qualifies for being confirmed as director be and is hereby confirmed as Director (Non-Executive) of the Company w.e.f. 21-09-2018."

**RESOLVED FURTHER THAT** the Company Secretary and Compliance Officer of the Company be and is hereby, authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**Dated: 9th August, 2018**

**Place: Indore**

**By order of the Board of Directors**

**Swati Gupta**  
**Company Secretary**  
**(ACS: 33016)**

**Registered Office**

4th Floor, A Wing, Chakala,  
Andheri – Kurla Road,  
Andheri (East) Mumbai,  
Maharashtra – 400093

**CIN: U51909MH2007PLC174702**

**Website: [www.brandconcepts.in](http://www.brandconcepts.in)**

**Email: [swati.gupta@brandconcepts.in](mailto:swati.gupta@brandconcepts.in)**

**NOTES:****1 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

A proxy, in order to be effective, must be received at the registered office of the company not less than 48 hours before the commencement of the meeting. A blank proxy form is enclosed. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

A member entitled to attend and vote at this meeting is entitled to participate in the voting process through e-voting, as per the section 108 of the Companies Act, 2013.

- 2** An explanatory statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.
- 3** Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
- 4** The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 14th September, 2018 to Friday, 21st September, 2018 (both days inclusive).
- 5** The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
- 6** Members are requested to notify any change of address to their depository participants in respect of shares held in dematerialized form, and to Registrar and Share Transfer Agent of the Company - M/s. Bigshare Services Private Limited, Bharat Tin Works Building, 1st floor, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai - 400059 Ph: 022-62638202 in respect of shares in physical form, under their signatures and quoting respective folio number.
- 7** To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
- 8** Members are requested to bring their Client ID and DP ID or Folio Numbers, as may be applicable, for easy identification of attendance at the meeting.
- 9** Members desirous of getting any information about the accounts and operations of the Company are requested to submit their queries addressed to the Company Secretary in advance at least 7 days before the date of meeting so that the information called for can be made available at the meeting.
- 10** Kindly bring your copy of the Annual Report to the meeting.
- 11** Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant provisions of Companies (Management and Administration) Rules, 2014, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to M/s. Bigshare Services Private Limited, Bharat tin Works Building, 1st floor, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai - 400059 Ph: 022-62638202. Members holding shares in demat form are requested to register/update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered their email address, are entitled to receive such communication in physical form upon request.
- 12** Members may also note that the Notice of the 11th Annual General Meeting and the Annual Report for the financial period ended on 31.03.2018 will also be available on the Company's website [www.brandconcepts.in](http://www.brandconcepts.in) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Mumbai as well as at corporate office in Indore for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [swati.gupta@brandconcepts.in](mailto:swati.gupta@brandconcepts.in)

- 13** The register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
- 14** The register of Contracts or Arrangements in which Directors are interested, maintained under section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
- 15** All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 5.00 pm) on all working days up to and including the date of the Annual General Meeting of the Company.
- 16** As per the provision Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the brief profile of directors eligible for re-appointment at the 11<sup>th</sup> Annual General Meeting are given separately in the notice.
- 17** The investors may contact the Company Secretary for redressal of their grievances/queries. For this purpose, they may either write to her at the registered office address or e-mail their grievances/queries to the Company Secretary at the following e-mail address: [swati.gupta@brandconcepts.in](mailto:swati.gupta@brandconcepts.in)
- 18** Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares for ease of portfolio management. Members can contact the Company or Bigshare Services Pvt. Ltd. for assistance in this regard.
- 19** Updation of Member's details - The format of Register of Members prescribed by Ministry of Corporate Affairs, under the Companies Act, 2013 requires the Company/Registrar and Transfer Agents to record additional of Members, including Permanent Account Number ('PAN'), email address, bank details for payment of dividend etc.  
  
Members holding shares in physical form are requested to submit the filled in form to the Company or its Registrar and Transfer Agents. Members holding shares in electronic form are requested to submit the details to their respective depository participants.
- 20** As per the provisions of the Companies Act, 2013, facility for making nomination is available to the members in respect of the shares held by them. Nomination forms can be obtained from the Company's Registrar and Transfer Agents by members holding shares in physical form. Members holding shares in electronic form may obtain nomination form from their respective Depository Participants.

**Explanatory Statement (Pursuant to section 102 of the Companies Act, 2013) –**

The following Explanatory Statement sets out the material facts relating to the business under items Nos. 4 to 5 of the accompanying notice dated 9th August, 2018 -

**Item No. 4.**

At the EGM held on 08th December, 2017 the members of the Company had approved the re-appointment and remuneration of Mr. Abhinav Kumar to hold office as Whole Time Director. He was also appointed as CFO of the Company.

Considering his contribution in the company for past several years the Nomination and Remuneration Committee and Board consider it desirable that the Company should continue to avail itself the services of Mr. Abhinav Kumar as Whole Time Director & CFO w.e.f. 09th December 2017 for a period of five years. The Board of Director had, based on the recommendation of Nomination and Remuneration Committee and subject to the approval of members.

**1. Remuneration:****a) Basic Salary: Rs 280000 per month**

The annual increments which will be effective from 1st April each year, as may be decided by the Board based on the recommendations of the Nomination and Remuneration Committee and according to the performance of the Company.

**b) Benefits, Perquisites and Allowances:**

- (i) Leave Travel Allowance: Reimbursement once in a year as per the Rules of the Company.
- (ii) Medical Allowance (for self & family): As per the Rules of the Company.
- (iii) Gratuity payment: Computed at half a month's basic salary for each completed year of service.
- (iv) Free mobile phone.
- (v) Free use of car for official and personal use.
- (vi) House Rent Allowance : As per the Rules of the Company and the government.

**2. Minimum Remuneration:**

Notwithstanding anything to the contrary herein contained, where in any financial year during his tenure, the Company has no profits or its profits are inadequate, the Company will pay aforesaid remuneration as minimum remuneration.

In terms of the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013, ("Act"), as amended or re-enacted from time to time, read with Schedule V to the Act the approval of the members of the Company is being sought to confirm the increase in remuneration of Mr. Abhinav Kumar, as the Executive Director and CFO of the Company, accordingly your directors recommend to pass the resolution as set out in Item 4 as Special resolution.

None of the directors or key managerial person or relatives of directors and KMP are concerned or interested in the said resolution, whether financially or otherwise.

**Statement of Information relevant to Mr. Abhinav Kumar as required under Section II of Part II of Schedule V of the Companies Act, 2013****I. GENERAL INFORMATION****1. Nature of Industry**

Trading Company of travel gears and accessories

**2. Date or expected date of commencement business.**

The company was incorporated on 4th October, 2007 and commenced its activities immediately.

**3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.**

Not applicable

**4. Financial performance based on given indicators**

Particulars	(Rs. In Lacs)	
	31.03.2018	31.03.2017
<b>Revenue</b>		
1. Revenue from operations	6836.7	6235.3
2. Other Income	20.9	23.7
Profit before Tax	303.2	223.8
Less: (i) Current Tax	33.52	5.53
(ii) Deferred Tax	44.94	74.51
Profit for the period from continuing Operations	224.7	143.7
Profit/(Loss) from Discontinued Operations	-	-
Profit/(Loss) for The Period	224.7	143.7
Other comprehensive Income	-	-
Item that will not be reclassified to profit and loss	-	-
Item that will be reclassified to profit and loss	-	-
-	-	-
Dividend (Including Interim if any and Final)	-	-
Earnings Per Share (Basic)	2.8	2.1
Earnings Per Share (Diluted)	2.8	2.1

#### 5. Foreign investments or collaborations, if any

Not Applicable

#### II. INFORMATION ABOUT MR. ABHINAV KUMAR

Mr. Abhinav Kumar is the CFO and Executive Director of the company for a period of five years w.e.f 9th December, 2017. He as Executive Director has been looking after the overall affairs and operations of the Company. The Company has made enormous progress under the stewardship of Mr. Abhinav Kumar. His vision is to take the Company to be amongst the best in the global markets. Details of proposed increased remuneration have been disclosed above.

Taking into consideration the size of the company, profile of Mr. Abhinav Kumar, responsibility shouldered by him and the industry standard, the remuneration paid is commensurate with the remuneration packages paid to Managerial Personnel in similar to other companies.

Besides the remuneration being received, he does not have any pecuniary relationship with the company

#### III. OTHER INFORMATION:

##### 1. Reasons for loss or inadequate profits

At present the company is earning profits which may be deemed inadequate for the purpose of limits of managerial remuneration.

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

During the year under review, the Company has taken various effective cost control measures which would result in better profitability in the ensuing years.

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

Barring unforeseen circumstances, the Company's operation should give normal returns in the financial year 2018-19 as compared to Financial Year 2017-18.

#### IV. Disclosures:

The disclosures mentioned under this section are not applicable to the Company, however remuneration of directors are being disclosed in the Board's report.



**Item No. 5.**

The Board of Directors ("Board") upon recommendation of the Nomination and Remuneration Committee, appointed Mr. Manish Saxena, as an Additional Director on the Board of the Company with effect from 22nd March, 2018.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, read with rules framed thereunder, Mr. Manish Saxena holds office only upto the date of this Annual General Meeting of the Company and is eligible for appointment. A notice in writing has been received from a Member of the Company along with the requisite deposit under section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Manish Saxena as Non-Executive Director.

In the opinion of the Board, Mr. Manish Saxena is a person of integrity and possesses relevant expertise and experience and fulfils the conditions for appointment as a director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

If appointed, Mr. Manish Saxena will act as Non-Executive Director, liable to retire by rotation. Keeping in view the experience and expertise, the Board of Directors recommends the proposed Ordinary Resolution for his appointment set out at Item No. 5 for your approval. None of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise in the said Resolution. Necessary documents in this regard are available for inspection by the Members at the registered office of the Company during business hours on any working day.

**Dated: 9th August, 2018**

**Place: Indore**

**By order of the Board of Directors**

**Swati Gupta**  
**Company Secretary**  
**(ACS: 33016)**

**Registered Office**

4th Floor, A Wing, Chakala,  
Andheri – Kurla Road,  
Andheri (East) Mumbai,  
Maharashtra – 400093

**CIN: U51909MH2007PLC174702**

**Website: [www.brandconcepts.in](http://www.brandconcepts.in)**

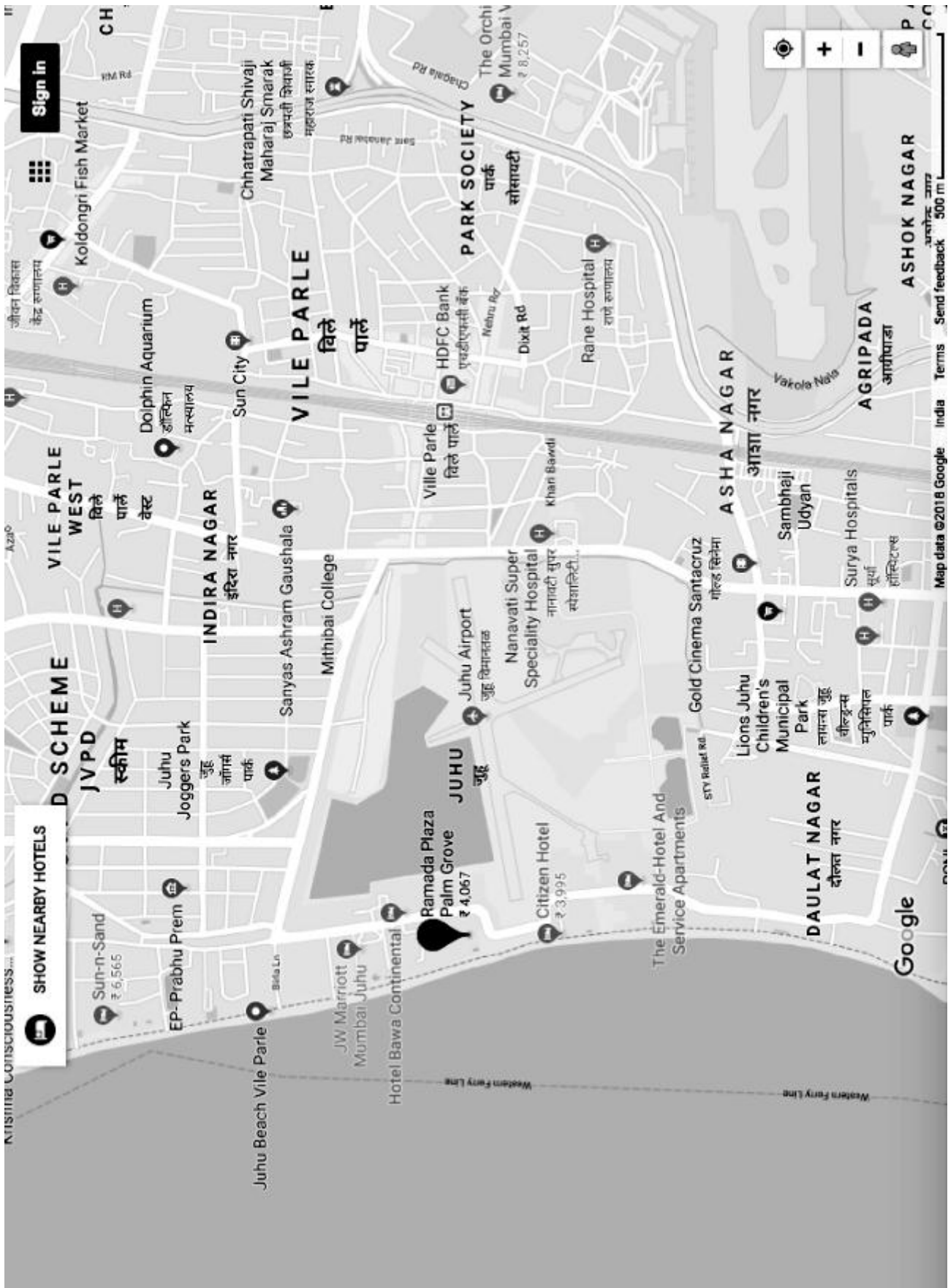
**Email: [swati.gupta@brandconcepts.in](mailto:swati.gupta@brandconcepts.in)**

Additional information pursuant to Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standard-2 on General Meeting, the brief profile of Directors eligible for re-appointment vide item no. 3,4 and 6 is as follows

Nature of information	Item No. 2 of notice	Item No. 5 of notice	Item No. 4 of Notice
Name	Annapurna Maheshwari	Manish Saxena	Abhinav Kumar
Date of birth	31/10/1955	02/10/1971	15/01/1981
Date of Appointment	15th January 2015	22nd March 2018	12th September 2013 & Reappointed as Whole Time Director on 09th December 2017
Educational Qualification	Qualified Graduate in Bachelor of Home Science from DAVV University Indore	Master of Business Administration (MBA)	MBA in Communication Management from Symbiosis Pune.
Expertise in functional areas	She is having vast experience of 31 years in Group Companies. Joined on the Board of Directors of IFF Group in 1994 (Group companies) with her core strengths being Designing and Production.	He is having an experience of 21 years in design, product, management, marketing, store design, visual merchandising. With strong roots in St. Stephens College, New Delhi and London School of Fashion, he has worked in different genres and scopes with Madura Garments as Creative Director, with Landmark Group as Head of Buying.	He started his career with Advertising after that he moved on to head the marketing activities of Tommy Hilfiger with Murjani Group. He was not only instrumental in launching 10 difference categories under Tommy Hilfiger Brand but also a part of the core team which brought in the other brands. He is taking care of overall business and market development of the Company.
Details of shares held in the Company	9.92%	NIL	6.61%
List of Companies in which outside directorship held	1) Industrial Filters & Fabrics Pvt Ltd. 2) IFF Overseas Pvt Ltd.	NIL	NIL
Member/Chairman of Committees of other Companies on which he is a director*	No	No	No
Relationship with any Director(s) of the Company	Mother of Mr. Prateek Maheshwari	No`	No
Number of board meeting attended during the year	6	- appointed w.e.f. 21-3-2018	15
Terms and condition of appointment / re-appointment	Liable to retire by rotation	Liable to retire by rotation	As per resolution
Remuneration to be paid	NIL	NIL	Rs. 84 lacs
Last drawn remuneration	NIL	NIL	Rs. 66 lacs

\* Includes membership/ Chairmanship in Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee.

Route Map of to the AGM venue



## BOARD'S REPORT

To  
**The Members**  
**Brand Concepts Limited**  
**CIN-U51909MH2007PLC174702**  
**Indore**

The Directors hereby presents their **11th Director's Report** on the business and operation of the Company together with the audited Financial Statements for the financial year ended **31st March 2018**.

### 1. Financial Result:

The Company's financial performance for the year under review along with previous year's figures is given hereunder:

Particulars For the year ended	In Rs.	
	2017-18	2016-17
<b>Net Sales/Income from:-</b>		
1. Business Operation	683,674,025	623,531,396
2. Other Income	2,086,432	2,366,793
<b>Profit after Depreciation and Interest</b>	30,317,180	22,375,243
Less: Current income Tax	3,395,650	553,000
Less: Previous year adjustment of Income Tax	(42,650)	-
Less: Deferred Tax	4,494,149	7,450,868
<b>Net Profit After Tax</b>	22,470,031	14,371,375
Dividend (Including Interim if any and Final)	-	-
Earnings Per Share (Basic)	2.83	2.05
Earnings Per Share (Diluted)	2.83	2.05

The Company continues to see marginal growth in its overall performance in the financial year 2017-18 driven by the performance of the segment in which the Company operates. Your directors are glad to report that during the year under review, your company has posted higher gross income of Rs. 68.37 crores as compared to Rs. 62.35 crores in the corresponding previous year, registering a growth of approx. 10% as compared to previous corresponding year. As a result, your company has posted much better net profit of Rs. 2.24 crores as compared to Rs. 1.43 crores in the corresponding previous year registering healthy growth of approx. 56%. Your directors believe that improved financial results are directly attributable to several corrective measures viz. increasing volumes; improve productivity and ensuring overall operational efficiency at different stages and savings in cost.

### 2. State of Company's Affairs and Prospects:

The Company continued its efforts to strengthen its marketing strategy, efforts and relationship with customers during the year. The Company has expanded its business by joining hands with Ministry of Home Affairs in the financial year 2017-18 via Central Police Canteen which is being created as a measure of welfare for the serving and retired CAPFs (BSF, CRPF, ITBP, SSB and Assam Rifles) personnel. As of now they have 119 Master Canteen which act as Distribution Centre and 1625 Subsidiary Canteen which sell products to troops and families with the outlook that in coming financial years it will be a major business contributor for the company. The Company has added and continuing to add more Point of Sales to market its product through Dealers, Distributorship, Franchisee, Online Partners & Company Owned Stores. Company is also targeting to take the license of more reputed Brands of Fashion Industry in the coming years. It is expected that the economy in general will improve in coming financial year. At the same time Company also resuming the business with the Old Customers. The Company has planned several corrective measures viz. increasing volumes; improve productivity and ensuring overall operational efficiency.

### 3. Material Changes and Nature of business

There was no material changes affecting the financial position of the company occurred after the end of the financial year till the date of this report. There is no change in the nature of business.

### 4. Dividend:

Your directors did not recommend any dividend for the financial year 2017-18 and ploughed back the funds in the business. Since there was no unpaid/unclaimed Dividend on the books till date, the provisions of Section 125 of the Companies Act, 2013 do not

apply to your company.

**5. Subsidiary, Associate and joint Venture Companies:**

The Company has no subsidiary, associate or joint venture company.

**6. Directors' responsibility statement:**

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- a) In the preparation of the annual accounts, 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 devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**7. Deposits:**

The Company has not accepted any fixed deposit from the public during the financial year ended 31st March, 2018.

**8. Conservation of Energy, Technology and Foreign Exchange Earnings and outgo**

The particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts of Companies) Rules, 2014 are set out below.

**(A) Conservation of Energy:**

The Company is engaged in trading activities so conservation of energy is not applicable to it.

**(B) Technology absorption, Adaption and Innovation**

The Company has not imported any technology from Abroad. Innovation is a constant process and the Company has been engaged in improving the product design, material cost, productivity etc. as part of this process.

**(C) Foreign exchange Earnings and Outgo:**

The details of total foreign earnings and outgo are as follows.

Value of Imports on C.I.F Value	:	Rs. 12,41,85,653/-
Travelling Expenses	:	Rs. 19,17,448/-
Royalty in foreign Currency	:	Rs. 16,27,369/-

**9. Loans, Guarantees and Investment**

The company has not extended inter corporate loans to any companies and has also not made investments.

**10. Conversion of the Company from Private Limited to Public Limited**

During the year, the Company has been converted from private limited company to public limited company and necessary fresh certificate of incorporation was issued by the Registrar of Companies, Mumbai on 8th December, 2017. Consequent to conversion the name of the Company was changed from 'Brand Concepts Private Limited' to 'Brand Concepts Limited'.

**11. Initial Public Offer and use of proceeds**

The company has gone for Initial Public Offer to issue equity shares to general public to meet the business needs of the Company. Your company issued a Prospectus dated 23-12-2017. The issue of the Company was closed on 2nd January, 2018 which received an overwhelming response from retail as well as non-retail investors. The issue was subscribed 13 times. Since the issue was

oversubscribed, the basis of allotment was finalized in consultation with the NSE Limited. The Company allotted fully paid up 28,05,000 equity shares of Rs. 10/- each at premium of Rs. 35/- per share on 5th January, 2018 to the eligible applicants. The Equity Shares of the Company were listed and admitted to dealings on the Small and Medium Enterprise Platform of NSE Limited (NSE-EMERGE) with effect from 10th January, 2018 having the symbol 'BCONCEPTS'.

The proceeds from the Issue of the Company vide prospectus dated 23rd December, 2017 have been utilized / are in process of utilization for the purpose for which they were raised and there is no deviation in the utilization of proceeds.

## **12. Change in Share Capital of the Company**

The Authorized share capital of the Company was Rs. 15,00,00,000/- (Rupees Fifteen Crores) divided into 80,00,000 (Eighty lacs) Equity shares of Rs. 10/- (Rupees ten) each and 7,00,000 (Seven Lacs) preference shares of Rs. 100/- (Rupees Hundred) each. During the year the company has reclassified its preference share capital as equity capital.

During the year the Company has converted its convertible preference shares into 7,77,800 equity shares raising the equity capital to Rs. 7,77,78,000/- (Rupees Seven Crores Seventy Seven Lakhs Seventy Eight Thousand).

Further, the Paid up Capital of the Company has been raised by Rs. 12,62,25,000/- (Equity Shares of 1,26,22,500) pursuant to allotment of 2805000 equity shares of Rs 10/- each at a premium of Rs. 35/- per Equity Shares by way of Initial Public Offer.

Subsequent to the aforesaid corporate actions, the authorized share capital of the Company as on date is Rs. 15,00,00,000/- (Rupees Fifteen Crores) divided into 1,50,000 equity shares of Rs. 10/- each and issued, subscribed and paid-up capital of the Company is 10,58,28,000/- (Rupees Ten Crores, Fifty Eight Lakhs Twenty Eight Thousand Only) divided in to 1,05,82,800 Equity shares of Rs.10/- each.

## **13. Listing of Equity Shares**

The members of the Company passed a special resolution in the Extra-ordinary General Meeting of the members held on 9th day of December, 2017 permitting the Company to be admitted for trading of shares at National Stock Exchange, SME Emerge Platform. Accordingly, the shares of the Company are listed on NSE-Emerge Platform on 10th January, 2018.

## **14. Depository System**

As the Members are aware, your Company's shares are tradeable compulsorily in electronic form and your Company has established connectivity with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the depository system, the members are requested to avail the facility of Dematerialization of the Company's shares on NSDL & CDSL. The ISIN allotted to the Company's Equity shares is INE977Y01011.

## **15. Transfer to Reserves**

The Company has not transferred any amount to the general reserve. However Securities premium account was created after initial public issue of shares at premium details of which is shown in Financial Statements.

## **16. Directors and key managerial personnel**

The Company was required to appoint independent directors in accordance with the provisions of the Companies Act, 2013 in the financial year 2017-18 pursuant to its conversion into public company for IPO. Mr. Manish Saxena (DIN: 08014657) and Mr. Narendra Tulsidas Kabra (DIN: 06851212) was appointed as Independent Directors on the Board w.e.f 9th December, 2017. Mr. Manish Saxena resigned w.e.f. 14th December, 2017 and again appointed as additional Director (Non-Executive) w.e.f. 22nd March, 2018 who will hold the office upto the ensuing Annual General Meeting and will be regularized in the Annual General Meeting subject to consent of the members of the Company and be appointed as Independent Directors of the Company. Mr. Kushagra Praveen Toshniwal (DIN:07117429) was appointed as Independent Director on the Board w.e.f. 15th December, 2017. The Independent Directors have submitted a declaration as required under section 149(6) of the Companies Act, 2013 confirming that they fulfill the criteria of independence and in accordance with the opinion of the Board, all of them are eligible to hold the said position.

Further, sub-section (13) of Section 149, provides that the provisions of retirement by rotation as defined in sub-sections (6) and (7) of Section 152 of the Companies Act, 2013 shall not apply to such Independent Directors. Hence, none of the Independent Directors retire at the ensuing AGM.

As per proviso to Section 149(1) of the Companies Act, 2013 read with Rule 3 of The Companies (Appointment and Qualification of directors) Rules, 2014, every listed Company is required to appoint a Women Director. The Company already have a women Director Mrs. Annapurna Maheshwari (DIN:00038346).

Further, Mr. Abhinav Kumar, Director of the Company has been appointed as a Chief Financial Officer w.e.f. 1st November, 2017.

Thus, the Board of Directors of Company is a balanced one with an optimum mix of Executive and Non-Executive Directors. They show active participation at the board and committee meetings, which enhances the transparency and adds value to their decision making. The Board takes the strategic decisions, frames the policy guidelines and extends wholehearted support to business heads and associates.

As on 31st March, 2018, the Board of Company consists of Six (6) Directors. The composition and category of Directors as well as of KMPs are as follow:

Sr. No.	Name of Director	Designation	DIN/PAN
1	Mr. Prateek Maheshwari	Managing Director	00039340
2	Mr. Abhinav Kumar	Executive Director & CFO	06687880
3	Mrs. Annapurna Maheshwari	Non-Executive Director	00038346
4	Mr. Narendra Tulsidas Kabra	Independent Director w.e.f. 9-12-17	06851212
5	Mr. Kushagra P Toshniwal	Independent Director w.e.f. 15-12-17	07117429
6	Mr. Manish Saxena	Additional Director w.e.f. 22-3-18	08014657
7	Ms. Swati Gupta	Company Secretary	BCEPG2822D

## 17. Board Evaluation

In compliance with the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the performance evaluation of the Independent Directors was carried out during the period after listing of shares. More details on the same are given in the Corporate Governance Report.

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

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors after listing of shares, performance of non-independent directors, performance of the Board as a whole was evaluated.

## 18. Number of meetings of the board

The Directors of the Company met at regular intervals with the gap between two meetings not exceeding 120 days to take a view of the Company's policies and strategies apart from the Board Matters. During the year under review, the Board of Directors met 15 (Fifteen) times on the following dates-

Sr. No.	Date of meeting	Board Strength	No. of directors present
1	10/04/2017	3	3
2	08/06/2017	3	3
3	11/07/2017	3	3
4	03/08/2017	3	3
5	01/09/2017	3	3
6	29/09/2017	3	3
7	01/11/2017	3	3
8	24/11/2017	3	3
9	05/12/2017	3	3
10	08/12/2017	3	3
11	14/12/2017	5	4
12	18/12/2017	5	4
13	22/12/2017	5	2
14	05/01/2018	5	3
15	21/03/2018	5	3

## 19. Board Committees and their meetings

Your Company has in place the Committee(s) as mandated under the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to become listed company during the year. There are currently four committees of the Board, namely:

### a) Audit Committee

The Board of Directors in its meeting held on 18th December, 2017 constituted an Audit Committee in compliance with the provisions of Section 177 of the companies Act, 2013. During the year meeting of the Audit Committee was held on 21-03-2018 and the attendance records of the members of the committee are as follows:-

Name of Director	Status	Category	Meetings held	Meetings attended
Mr. Kushagra P Toshniwal	Chairman	Non-Executive & Independent Director	1	1
Mr. Narender Tulsidas Kabra	Member	Non-Executive & Independent Director	1	1
Mr. Abhinav Kumar	Member	Whole-time Director	1	1

### b) Nomination & Remuneration Committee

The Board of Directors in its meeting held on 18th December, 2017 constituted Nomination & Remuneration Committee in compliance with the provisions of Section 178 of the companies Act, 2013. During the year meeting of the Nomination & Remuneration Committee was held on 21-03-2018 and the attendance records of the members of the committee are as follows:-

Name of Director	Status	Category	Meetings held	Meetings attended
Ms. Annapurna Maheshwari	Chairman	Non-Executive Director	1	1
Mr. Kushagra Praveen Toshniwal	Member	Non-Executive & Independent Director	1	1
Mr. Narender Tulsidas Kabra	Member	Non-Executive & Independent Director	1	1

The policy of the Nomination & Remuneration Committee has been placed on the website of the Company at [www.brandconcepts.in](http://www.brandconcepts.in) and the salient features of that has been disclosed as Annexure "III" to this report.

### c) Stakeholders' Relationship Committee

The Board of Directors in its meeting held on 18th December, 2017 constituted Stakeholders' Relationship Committee in compliance with the provisions of Section 178 of the companies Act, 2013. During the year meeting of the Stakeholders' Relationship Committee was held on 21-03-2018 and the attendance records of the members of the committee are as follows:-

Name of Director	Status	Category	Meetings held	Meetings attended
Ms. Annapurna Maheshwari	Chairperson	Non- Executive Director	1	1
Mr. Abhinav Kumar	Member	Whole Time Director	1	1

## 20. Familiarization Program for Independent Directors

Your Company has in place a Familiarization Program for independent Directors to provide insights into the Company's Business to enable them contribute significantly to its success. The Senior Management made presentations to familiarize the Independent Directors with the strategy operations and functions of the Company. The details of the familiarization program of the independent directors are available on the website of the Company [www.brandconcepts.in](http://www.brandconcepts.in).

## 21. Transactions with related parties

As specified under the provisions of section 188 of the Companies Act, 2013, the contracts and arrangement entered into with related parties were in ordinary course of business and on arm's length basis. All related party transactions are placed before the Audit Committee and approved through the Omnibus mode in accordance with the provisions of the Companies Act, 2013 and Listing Regulations for its approval. The Board has taken on record all transaction with related parties. Suitable disclosures as required are provided in AS 18 which forms part of the notes to financial statement. The policy on Related Party Transactions is uploaded on the Company's website [www.brandconcepts.in](http://www.brandconcepts.in). Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in "Annexure-I" in Form AOC-2 and the same forms part of this report.



**22. Extract of annual return**

As provided under Section 92(3) read with relevant Rules of the Companies Act, 2013, the extract of the annual return is given in Annexure II in the prescribed Form MGT-9, which forms part of this report, though section 134(3)(a) of the Companies Act, 2013 read with Rule has required only address of weblink for annual return w.e.f 31-07-2018. The web link for the company is www.brandconcepts.in for the annual return as specified.

**23. Managerial Remuneration and particulars of employees**

The Company has no employees, who is in receipt of remuneration of Rs. 8,50,000/- per month or Rs. 1,02,00,000/- per annum and hence the Company is not required to give any information under Sub-rule 2 and 3 of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 statement containing the names and other particulars of top ten employees in terms of remuneration drawn by them is enclosed as “Annexure-IV” to this report.

Disclosure under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as “Annexure-V” to this report.

**24. Management Discussion and Analysis Report**

Management Discussion and Analysis Report as required under Regulation 34 and Schedule V (B) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Regulations) is disclosed separately in the Annual Report as “Annexure VI”

**25. Auditors and their Report****i. Statutory Auditors**

As per the provisions of Section 139 the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s Khandelwal & Jhaver, Chartered Accountants, proprietor firm having held office as Auditor for a period of more than 5 years before the company listed its shares, is not eligible for re-appointment as Statutory Auditors in the same company. Accordingly the Statutory Auditors of the Company, M/s Khandelwal & Jhaver, and Chartered Accountants hold office till the conclusion of the ensuing Annual General Meeting of the Company.

After evaluation of the leading Auditing Firms, the Board of Directors has identified and recommended the appointment of M/s Maheshwari & Gupta, Chartered Accountants, Indore (ICAI Firm Registration No. 006179C), as the Statutory Auditor of the Company for a term of 5 years to hold office from the conclusion of the 11th Annual General Meeting until the conclusion of the 16th Annual General Meeting of the Company.

M/s Maheshwari & Gupta, Chartered Accountants, Indore have expressed their willingness to be appointed as Statutory Auditors of the Company. They have further confirmed that the said appointment, if made, would be within the prescribed limits under Section 141(3) (g) of the Companies Act, 2013 and that they are not disqualified for appointment. Accordingly, their appointment as Statutory Auditors of the Company from the conclusion of the 11th Annual General Meeting until the conclusion of the 16th Annual General Meeting of the Company is recommended by the Board and placed for your approval.

**ii. Secretarial Auditors**

Pursuant to Section 204 of the Companies Act, 2013 read with Rules thereof, the Board of Directors had appointed Ms. Manju Mundra, Company Secretary, as Secretarial Auditors of the Company for the Financial Year 2017-18. The Secretarial Audit Report for FY 2017-18 is annexed herewith as Annexure “VII”.

**iii. Cost Auditors**

The Company has not appointed the Cost Auditor as pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit or maintenance of cost records are not applicable to the Company.

**26. Statutory Auditor’s report and secretarial audit report**

The Statutory Auditors report for the financial year ended 31st March, 2018 does not contain any qualification, reservation or adverse remark. The observations made by secretarial auditors are being taken care by the management.

The auditor’s report is self-explanatory and there are qualifications in their report made by the Statutory Auditors that Company has not maintained proper records showing full particulars including quantitative details and situation of fixed assets. No fraud u/s

143(12) was reported by the auditor.

## **27. Internal Control System and their Adequacy**

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal control system is commensurate with its size and scale of operations. Roles and responsibilities are clearly defined and assigned. Standard operating procedures are in place and have been designed to provide a reasonable assurance. Internal checks from time to time ensure that responsibilities are executed effectively. The observations and good practices suggested are thoroughly reviewed by the Management and appropriately implemented for strengthening the controls of various business processes.

## **28. Risk management**

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to Key business objectives. Major risks identified by the Board and systematically steps taken to mitigate on a continuous basis. The Company's internal control system is commensurate with the nature of its business and the size and complexity of operations.

## **29. Material Orders of Court, Tribunal etc.**

As required under section 134(q) of the Companies Act, 2013 there are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

## **30. Provisions of Sexual Harassment of women**

The provisions/requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made thereunder are being followed by the Company and the company is providing the proper environment of working to all employees and has proper internal control Mechanism for prevention, prohibition and redressal of sexual harassment at workplace. The Company has complied with the provisions of constitution of Internal Complaints Committee under the Act. There were no cases/complaints filed under this Act during the year.

## **31. Corporate Social Responsibility**

As per the provisions of section and 135 of the Companies Act, 2013 Corporate Social Responsibility (CSR) is not applicable to the Company during the year under review so there are no disclosures required under section 134 (3)(o) of the Companies Act, 2013.

## **32. Corporate Governance**

Since the Company's Securities are listed on Emerge SME Platform of NSE, by virtue of Regulation 15 of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015 the compliance with the corporate governance provisions as specified in Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 and Para C,D and E of Schedule V are not applicable to the Company. Hence Corporate Governance does not form part of this Board's Report. Though, your Company has been practicing the principles of good corporate governance as it is committed to maintain the highest standards of Corporate Governance.

## **33. Other Disclosures**

- a) The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including directors of the Company to report genuine concerns. The provisions are in line with the provisions of the section 177(9) of the Companies Act, 2013 read with regulation 22 of the Listing Regulations.
- b) The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company.
- c) The Company has adopted a Code of Conduct for Prevention of Insider Trading in accordance with the requirements of the SEBI(Prohibition of Insider Trading) Regulation, 2015 with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board of Directors and the designated employees have confirmed compliance with the Code. The Insider Trading Policy of the Company covering code of practices and procedure for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading is available on the website of the Company at [www.brandconcepts.in](http://www.brandconcepts.in).

**34. Cautionary Note:**

Certain statements in the “Management Discussion and Analysis” section may be forward looking and are stated as required by the applicable laws and regulations. Many factors may affect the actual results, which could be different from what the directors envisage in terms of future performance and outlook. Important factors that could influence the Company’s operations include global and domestic supply and demand conditions affecting selling prices of finished goods, availability of inputs and their prices, changes in the Government policies, regulations, tax laws, economic developments within the country and outside and other factors such as litigation and industrial relations.

The Company assumes no responsibility in respect of the forward-looking statements, which may undergo changes in future on the basis of subsequent developments, information or events.

**35. Annexures forming part of Board’s report**

The Annexures referred to in this Report and other information which are required to be disclosed are annexed herewith and form a part of this Report:

<b>Annexure</b>	<b>Particulars</b>
I	Related Party Transactions in AOC 2
II	Extract of the Annual Return in Form MGT-9
III	Policy on Director’s appointment & Remuneration
IV	Particulars of top ten Employees
V	Managerial Remuneration as per Rule 5
VI	Management Discussion And Analysis Report
VII	Secretarial Audit Report

**36. Human Resources and Industrial Relations:**

Your Company has been able to operate efficiently because of developing culture of professionalism, integrity, dedication, commitments and continuous improvement shown by its employees in all functions and areas of business. Our basic objective is to ensure that a robust talent pipeline and a high-performance culture, centered on accountability is in place. We feel this is critical to enable us retain our competitive edge.

**37. Appreciation:**

Your Board of Directors would like to place on record their sincere appreciation for the wholehearted support and contributions made by all the employees of the Company as well as customers, suppliers, consultants, bankers and other authorities.

The Directors also thank the Central and State Government of India and concerned Government Departments/Agencies for their co-operation. The directors appreciate and value the contributions made by every member of the company.

**For and on behalf of the Board of  
Brand Concepts Limited**

**Place: Indore**

**Dated: 09-08-2018**

**Prateek Maheshwari**  
**Managing Director**  
**DIN- 00039340**

**Abhinav Kumar**  
**Whole-Time Director**  
**DIN-06687880**

**Annexure I to Board's Report  
Form No. AOC-2**

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

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

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

Brand Concepts Limited has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2017-18.

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

**a) Name(s) of the related party and nature of relationship:**

- 1) IFF Overseas Private Limited- Related group Company
- 2) Ara Designs- Relative of Abhinav Kumar is proprietor
- 3) Prateek Maheshwari- Managing Director

**b) Nature of contracts / arrangements / transactions:**

- 1) Purchase of Goods/services
- 2) Purchase of Goods /services
- 3) Advance for purchase of property

**c) Duration of the contracts / arrangements / transactions:**

- 1) Ongoing
- 2) Ongoing
- 3) advance received and returned back as property not purchased.

**d) Salient terms of the contracts or arrangements or transactions including the value, if any:** The order contains the basic details like delivery terms, payment terms, pricing and other terms.

**e) Date(s) of approval by the Board, if any:** in previous years and noted currently

**f) Amount paid as advance, if any:** NIL as on 31-03-2018.

**For and on behalf of the Board of  
Brand Concepts Limited**

Place: Indore

Dated: 09-08-2018

**Prateek Maheshwari  
Managing Director  
DIN- 00039340**

**Abhinav Kumar  
Whole-Time Director  
DIN-06687880**

**BRAND CONCEPTS LIMITED ANNEXURE II**  
**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2018**

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014.

<b>I. REGISTRATION &amp; OTHER DETAILS:</b>		
1	CIN	U51909MH2007PLC174702
2	Registration Date	10/4/2007
3	Name of the Company	Brand Concepts Limited
4	Category/Sub-category of the Company	Limited by shares
5	Address of the Registered office & contact details	F-55, First Floor, R. city Mall Phase-2 Opp. Presidential Towers, 146, Lal Bahadur Shastri Marg, Ghatkopar (W) Mumbai - 400086
6	Whether listed company	SME Listed
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A.

<b>II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>			
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Trading of Travel Gear & Small Leather Goods, Handbags & Accessory	477	100.00%

<b>III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>					
S.No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	"% of sharesheld"	"Applicable Section"
1	NIL				

<b>IV. SHARE HOLDING PATTERN</b>									
(Equity share capital breakup as percentage of total equity)									
<b>(i) Category-wise Share Holding</b>									
Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				"No. of Shares held at the end of the year [As on 31-March-2018]"				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF		2800000	2800000	40.00%	3425000	-	3425000	32.36%	-7.64%
b) Central Govt		-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)		-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.		-	-	0.00%	588,000	-	588,000	5.56%	5.56%
e) Banks / FI		-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other		-	-	0.00%	2,252,000	-	2,252,000	21.28%	21.28%
<b>Sub Total (A) (1)</b>		<b>2800000</b>	<b>2800000</b>	<b>40.00%</b>	<b>6,265,000</b>	<b>0</b>	<b>6265000</b>	<b>59.20%</b>	<b>19.20%</b>
<b>(2) Foreign</b>		0	0	0.00%	0	0	0	0.00%	0.00%
a) NRI Individuals		-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals		-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.		-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other		-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (2)</b>		-	-	-	-	-	-	-	-
<b>TOTAL (A)</b>		<b>2,800,000</b>	<b>2,800,000</b>	<b>40.00%</b>	<b>6,265,000</b>	<b>-</b>	<b>6,265,000</b>	<b>59.20%</b>	<b>19.20%</b>

<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds		-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI		-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt		-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)		-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds		-	-	0.00%	-	-	-	0.00%	0.00%
		-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies		-	-	0.00%	-	-	-	0.00%	0.00%
g) FIIs		-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds		-	-	0.00%	-	-	-	0.00%	0.00%
		-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)		-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(1):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.		588000	588000	8.40%	660779	-	660,779	6.24%	-2.16%
i) Indian		-	-	0.00%	-	-	-	0.00%	0.00%
ii) Overseas		-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals		-	-	0.00%	-	-	-	0.00%	0.00%
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh		35,000	35,000	0.50%	963499	-	963,499	9.10%	8.60%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh		3,577,000	3,577,000	51.10%	2215862	291,660	2,507,522	23.69%	-27.41%
c) Others (specify)		-	-	0.00%	-	-	-	0.00%	0.00%
Non Resident Indians		-	-	0.00%	39,000	-	39,000	0.37%	0.37%
Overseas Corporate Bodies		-	-	0.00%	-	-	-	0.00%	0.00%
		-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals		-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members		-	-	0.00%	147,000	-	147,000	1.39%	1.39%
Trusts		-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Bodies - D R		-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Total Public (B)</b>	<b>-</b>	<b>4,200,000</b>	<b>4,200,000</b>	<b>60.00%</b>	<b>4,026,140</b>	<b>291,660</b>	<b>4,317,800</b>	<b>40.79%</b>	<b>-19.21%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>		-	-	0.00%	-	-	-	0.00%	0.00%
<b>Grand Total (A+B+C)</b>	<b>-</b>	<b>7,000,000</b>	<b>7,000,000</b>	<b>100%</b>	<b>10,291,140</b>	<b>291,660</b>	<b>10,582,800</b>	<b>100%</b>	<b>0.0%</b>

**(Preference share capital breakup as percentage of total equity)**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				"No. of Shares held at the end of the year [As on 31-March-2018]"				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(1) Indian</b>									
a) Individual/ HUF		500000	500000	71.43%		-	-	-	-71.43%
Body Corporate		200000	200000	28.57%		-	-	-	-28.57%
<b>Grand Total</b>	<b>-</b>	<b>700,000</b>	<b>700,000</b>	<b>100.00%</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-100%</b>

## (ii) Shareholding of Promoter

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Pradeep Maheshwari	2,525,000	32.79%		2,525,000	23.86%		-8.93%
2	Shri Prateek Maheshwari	1,050,000	15.00%		1,050,000	9.92%		-5.08%
3	Annapurna Maheshwari	1,050,000	15.00%		1,050,000	9.92%		-5.08%
4	Mr. Pradeep Maheshwari, Karta, Pradeep Maheshwari, HUF	900,000	12.5%		900,000	8.5%		-4%
5	IFF Overseas Pvt. Ltd	588,000	8.17%		588,000	5.56%		-2.61%
6	Sakshi Rathi Maheshwari	152,000	1.97%		152,000	1.44%		-0.53%
	<b>Total</b>	<b>6,265,000</b>	<b>85.43%</b>		<b>6,265,000</b>	<b>59.20%</b>		<b>26.23%</b>

## (iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
<b>1</b>	<b>Mr. Pradeep Maheshwari, Karta, Pradeep Maheshwari, HUF</b>						
	At the beginning of the year	4/1/2017		900,000	12.50%	900,000	12.50%
	Changes during the year-						-
	At the end of the year	3/31/2018		900,000	8.50%	900,000	8.50%
<b>2</b>	<b>Mr. Pradeep Maheshwari</b>						
	At the beginning of the year	4/1/2017		2,525,000	32.79%	2,525,000	32.79%
	Changes during the year-				-		-
	At the end of the year	3/31/2018		2,525,000	23.86%	2,525,000	23.86%
<b>3</b>	<b>IFF Overseas Pvt. Ltd</b>						
	At the beginning of the year	4/1/2017		588,000	8.17%	588,000	8.17%
	Changes during the year				-		-
	At the end of the year	3/31/2018		588,000	5.56%	588,000	5.56%
<b>4</b>	<b>Prateek Maheshwari</b>						
	At the beginning of the year	4/1/2017		1,050,000	15.00%	1,050,000	15.00%
	Changes during the year- Rights issue						
	At the end of the year	3/31/2018		1,050,000	9.92%	1,050,000	9.92%
<b>5</b>	<b>Annapurna Maheshwari</b>						
	At the beginning of the year	4/1/2017		1,050,000	15.00%	1,050,000	15.00%
	Changes during the year- Rights issue						
	At the end of the year	3/31/2018		1,050,000	9.92%	1,050,000	9.92%
<b>6</b>	<b>Sakshi Rathi Maheshwari</b>						
	At the beginning of the year	4/1/2017		152,000	1.97%	152,000	1.97%
	Changes during the year- Rights issue						
	At the end of the year	3/31/2018		152,000	1.44%	152,000	1.44%

**(iv) Shareholding Pattern of top ten Shareholders**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
<b>1</b>	<b>Abhinav Kumar</b>						
	At the beginning of the year	4/1/2017		700000	10.00%	700000	10.00%
	Changes during the year						-
	At the end of the year	3/31/2018	Due to IPO	700000	6.61%	700000	6.61%
<b>2</b>	<b>Maneesha Niranjana Naik</b>						
	At the beginning of the year	4/1/2017		-	0.00%	-	0.00%
	Changes during the year		Due to IPO	429,000	4.05%	429,000	4.05%
	At the end of the year	3/31/2018		429,000	4.05%	429,000	4.05%
<b>3</b>	<b>Mukul Agarwal</b>						
	At the beginning of the year	4/1/2017		-	0.00%	-	0.00%
	Changes during the year		Due to IPO	426,000	4.02%	426,000	4.02%
	At the end of the year	3/31/2018		426,000	4.02%	426,000	4.02%
<b>4</b>	<b>Tanam Investment Services Private Limited</b>						
	At the beginning of the year	4/1/2017		-	0.00%	-	0.00%
	Changes during the year		Due to IPO	291,700	2.76%	291,700	2.76%
	At the end of the year	3/31/2018		291,700	2.76%	291,700	2.76%
<b>5</b>	<b>Laxmi Chandrakant Shah</b>						
	At the beginning of the year	4/1/2017					-
	Changes during the year		Due to IPO	291,660	2.756%	291,660	2.756%
	At the end of the year	3/31/2018		291,660	2.756%	291,660	2.756%
<b>6</b>	<b>Prashant Chandrakant Shah</b>						
	At the beginning of the year	4/1/2017					-
	Changes during the year		Due to IPO	194,440	1.84%	194,440	1.84%
	At the end of the year	3/31/2018		194,440	1.84%	194,440	1.84%
<b>7</b>	<b>Manoj Agarwal</b>						
	At the beginning of the year	4/1/2017					-
	Changes during the year		Due to IPO	135,000	1.28%	135,000	1.28%
	At the end of the year	3/31/2018		135,000	1.28%	135,000	1.28%
<b>8</b>	<b>NNM Securities Pvt Ltd</b>						
	At the beginning of the year	4/1/2017					-
	Changes during the year		Due to IPO	120,000	1.13%	120,000	1.13%
	At the end of the year	3/31/2018		120,000	1.13%	120,000	1.13%
<b>9</b>	<b>Florence Securities Pvt Ltd</b>						
	At the beginning of the year	4/1/2017					-
	Changes during the year		Due to IPO	111,000	1.05%	111,000	1.05%
	At the end of the year	3/31/2018		111,000	1.05%	111,000	1.05%
<b>10</b>	<b>Prabhat Financial Service Ltd</b>						
	At the beginning of the year	4/1/2017					-
	Changes during the year		Due to IPO	111,000	1.05%	111,000	1.05%
	At the end of the year	3/31/2018		111,000	1.05%	111,000	1.05%



**Preference Shareholder**

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
<b>1</b>	<b>Tanam Investment Services Pvt Ltd</b>						
	At the beginning of the year	4/1/2017		200,000	2.78%	200,000	2.78%
	Changes during the year		due to converted into equity shares	-200000	-2.78%	-200000	-2.78%
	At the end of the year	3/31/2018		0.00	0.00%	0.00	0.00%
<b>2</b>	<b>Prashant Shah</b>						
	At the beginning of the year	4/1/2017		200,000	2.78%	200,000	2.78%
	Changes during the year		due to converted into equity shares	-200000	-2.78%	-200000	-2.78%
	At the end of the year	3/31/2018		0.00	0.00%	0.00	0.00%
<b>3</b>	<b>Laxmi Chandrkant Shah</b>						
	At the beginning of the year	4/1/2017		300,000	3.90%	300,000	3.90%
	Changes during the year		due to converted into equity shares	-300000	-3.9%	-300000	-3.9%
	At the end of the year	3/31/2018		0.00	0.00%	0.00	0.00%

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
<b>1</b>	<b>Mr. Prateek Maheshwari</b>						
	At the beginning of the year			1050000	15.00%	1050000	15.00%
	Changes during the year- Rights issue		Due to IPO				-
	At the end of the year			1050000	9.92%	1050000	9.92%
<b>2</b>	<b>Abhinav Kumar</b>						
	At the beginning of the year			700000	10.00%	700000	10.00%
	Changes during the year		Due to IPO				-
	At the end of the year			700000	6.61%	700000	6.61%
<b>3</b>	<b>Swati Gupta</b>						
	At the beginning of the year			0	0.00%	0	0.00%
	Changes during the year		Due to IPO				-
	At the end of the year			0	0.00%	0	0.00%

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment.				
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	122,311,491.00	76,126,538.00	-	198,438,029.00
ii) Interest due but not paid		-	-	-
iii) Interest accrued but not due	129500.00	-	-	129,500.00
<b>Total (i+ii+iii)</b>	<b>122,440,991.00</b>	<b>76,126,538.00</b>	<b>-</b>	<b>198,567,529.00</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	781,518,502.00	94,504,217.00	-	876,022,719.00
* Reduction	741,185,598.00	106,940,067.00	-	848,125,665.00
Net Change	1,522,704,100.00	201,444,284.00	-	1,724,148,384.00
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	162,773,895.00	63,690,688.00	-	226,464,583.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	47,016.00	-	-	47,016.00
<b>Total (i+ii+iii)</b>	<b>162,820,911.00</b>	<b>63,690,688.00</b>	<b>-</b>	<b>226,511,599.00</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SN.	Particulars of Remuneration Name Designation	Name of MD/WTD/ Manager		Total Amount
		Prateek Maheshwari MD	Abhinav Kumar WTD	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7,200,000.00	6,000,000.00	13,200,000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit			-
	- others, specify			-
5	Others, please specify	-	-	-
	<b>Total (A)</b>	<b>7,200,000.00</b>	<b>6,000,000.00</b>	<b>13,200,000.00</b>
	<b>Ceiling as per the Act</b>			

**B. Remuneration to other Directors**

SN.	Particulars of Remuneration	Name of Directors			Total Amount (Rs/)
1	Independent Directors	-	-	-	
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)				-
2	Other Non-Executive Directors				-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify -Salary				-
	Total (2)				-
	Total (B)=(1+2)				-
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act				

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SN.	Particulars of Remuneration Name Designation	Name of MD/WTD/ Manager			Total Amount
		Swati Gupta Company Secretary	Shri Abhinav Kumar Chief financial officer		
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	486,000.00	-	-	486,000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit				-
	- others, specify				-
5	Others, please specify	-	-	-	-
	<b>Total</b>	<b>486,000.00</b>	<b>-</b>	<b>-</b>	<b>486,000.00</b>

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
<b>B. DIRECTORS</b>					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		

For and on behalf of the Board of  
Brand Concepts Limited

Place: Indore

Dated: 09-08-2018

Prateek Maheshwari  
Managing Director  
DIN- 00039340

Abhinav Kumar  
Whole-Time Director  
DIN-06687880

### ANNEXURE III

#### NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

**Definitions:**

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

**“Key Managerial Personnel” means:**

- Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- Chief Financial Officer;
- Company Secretary; and
- Such other officer as may be prescribed.

“Senior Managerial Personnel” mean the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, including all functional heads and factory heads.

**Objective:**

The objective of the policy is to guide the Board, in relation to appointment, re-appointment and removal of Directors, Key Managerial Personnel and Senior Management, to evaluate the performance of the directors, remuneration payable to the Directors, Key Managerial Personnel and Senior Management, so to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage and to guide succession plan for the Board and to regularly review the plan.

**Role of the Committee:**

Considering the size of the Company, the role of the NRC will be the following:

- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To consider and determine the Remuneration Policy based on the performance and also bearing in mind, that remuneration is reasonable, and sufficient to attract, retain and motivate the members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- To evaluate / recommend to the Board the appointment/re-appointment and removal of Directors (based on diversity, composition etc.) and Senior Management including their remuneration while keeping in mind that any such process does not distort functional hierarchy.
- Overseeing succession planning for replacing Key Executives.
- To delegate any of its powers to one or more of its members or the Secretary of the Committee.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To consider any other matters as may be requested by the Board.

**Broad Policy:**

1. All the recommendation should adhere to applicable statutory provisions.
2. The Committee should give uncompromising high weightage to moral /social/financial integrity of any existing/proposed directors/employees.
3. The Committee shall decide its own way of working to interface the Organization.
4. The Committee shall communicate all its decisions / recommendations by way of minutes of ‘Nomination and Remuneration Committee’ which shall be considered by the Board of Directors for implementation or otherwise as consider necessary.

**Review:**

- The Nomination and Remuneration Committee or the Board may review the Policy as and when it deems necessary.
- The Nomination and Remuneration Committee may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this Policy, if it thinks necessary.
- This Policy may be amended or substituted by the Nomination and Remuneration Committee or by the Board as and when required where there is any statutory changes necessitating the change in the Policy.

## ANNEXURE IV

Information as per Section 197 of the Companies Act, 2013 read with the rule 5 (2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the financial year ended 31st March, 2017.

**Top 10 employees in terms of remuneration drawn during the Financial Year 2017-18**

S.No	Name of employee	designation of employee	Remuneration received Rs. ( In Lacs)	Qualification	Experience in years	Date of commencement of employment	Age	Previous employment
1	PRATEEK MAHESHWARI	DIRECTOR	7545600	POST GRADUATE	15	4/1/2010	37	
2	ABHINAV KUMAR	CEO & DIRECTOR	6000000	POST GRADUATE	14	10/15/2007	38	MURJANI GROUP (TOMMY HILFINGER)
3	PIYUSH PUSHKAR	V.P - SALES & MARKETING	3381070	POST GRADUATE DIPLOMA IN BUSINESS MGMT	20	4/13/2010	46	SAMSONITE SOUTH ASIA PVT LTD
4	RAJESH YADAV	BUSINESS HEAD- MODERN TRADE	2132022	POST GRADUATE DIPLOMA	13	5/18/2015	37	CONTINENTAL JCB
5	ANKUR RATHI	HEAD - MARKETING	1979492	POST GRADUATE	11	3/1/2016	36	LUFTHANSA GERMAN AIRLINES
6	MANISH PRIYADARSHI	HEAD- DESIGN & DEVELOPMENT	1500000	GRADUATE IN INDUSTRIAL DESIGN	14	8/26/2013	35	RELIANCE GEMS & JEWELS LTD
7	RIKI MUDOI	SR. MANAGER BUYING & SOURCING	1495875	DIPLOMA IN ACCESSORY DESIGN & BSC.	13	12/12/2016	39	RABIA LEATHER IND PVT.LTD.
8	VIKRAM PANCHAL	HEAD - SERVICE & INSTITUTIONAL BUSINESS	1020000	HSC&TECHNICAL (ITI)	21	7/10/2010	50	SAMSONITE SOUTH ASIA PVT LTD
9	VINOD SHARMA	REGIONAL SALES MANAGER	934780	POST GRADUATE	16	2/16/2016	39	FIORELLI FASHION INDIA LTD.
10	PRATEEK DIXIT	HEAD - E COMMERCE	912373	POST GRADUATE DIPLOMA	7	9/4/2017	34	SELF BUSINESS (STANDARD FARM)
11	NILIP AURORA	REGIONAL SALES MANAGER	900854	B. COM., HBSM	22	10/1/2014	45	EBOK FURNITURE (SOMMANI GROUP)

**Notes:**

1. Remuneration shown above includes gross salary, annual reward, company's contribution to provident fund.
2. There were no employees are covered under Rule 5(3)(viii) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during the year.
3. The nature of employment in all cases is contractual.
4. As per Rule 5(3)(ix) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, no one falls under the definition of relatives.

**For and on behalf of the Board of  
Brand Concepts Limited**

**Place: Indore**

**Dated: 09-08-2018**

**Prateek Maheshwari  
Managing Director  
DIN- 00039340**

**Abhinav Kumar  
Whole-Time Director  
DIN-06687880**

## ANNEXURE V

Statement pursuant to Section 197(12) of the Companies Act 2013 and rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

<b>Requirements of Rule 5(1)</b>	<b>Details</b>
i. the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Mr. Prateek Maheshwari – 28.90 Mr. Abhinav Kumar – 24.08 The median remuneration of the employees of the Company was Rs. 2.49 Lakhs.
i. the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the year;	Directors and KMP Mr. Prateek Maheshwari – 20 Mr. Abhinav Kumar – 0 Ms. Swati Gupta (CS) - 25.25%
ii. The percentage increase in the median remuneration of employees in the financial year	During the financial year, the percentage increase in the median remuneration of employee as compared to previous year was approximately 15.10 %
iii. The number of permanent employees on the rolls of Company	There were 352 employees as on 31st March, 2018.
iv. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:	The average annual increase in salary/wages of the employees was around 15% (other than managerial personnel), whereas remuneration to managerial personnel increased by 28%.
v. Affirmation that the remuneration is as per the remuneration policy of the company	Yes

Figures have been rounded off wherever necessary

## ANNEXURE VI MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### **INDUSTRY STRUCTURE AND DEVELOPMENTS:**

The Luggage Industry continued to grow this year on the back of strong consumer demand. Small Leather Goods and Handbags both have shown positive growth in line with the company vision. Bags and Luggage are considered as lifestyle products helping wider acceptance of branded and fashionable products. Ecommerce business channel continues to grow at a very healthy pace and contributed towards the growth of the product line.

The Objective of the company is to further strengthen its position as multi-branded bags. Accessories player in India is collaborating with relevant and strategic International & Indian brand partners and provide them the right platform for retailing their products in India using innovative concepts to value add to their business as well as to the end consumer.

### **OPPORTUNITIES AND THREATS:**

In India, there is big emerging market towards these products and the company has a healthy lead over its competition in terms of brands. Youth is more brands conscious nowadays. The Company is more focused on expansion of point of sales, distribution along with the product line and services.

Changing trends in fashion & lifestyle can lead to slowdown in the key market which can lead to decrease the volume of sales of Company. Increased competition from Indian and global players could impact its growth plans and profitability. There is continuous threat of intense competition from other brands and high working capital requirement.

### **SEGMENTWISE OR PRODUCTWISE PERFORMANCE AND DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The Company continues in one segment only i.e. trading of branded luggages and accessories. The Company continues to see marginal growth in its overall performance in the financial year 2017-18 driven by the performance of the segment in which the Company operates. Your directors are glad to report that during the year under review, your company has posted higher gross income of Rs. 68.37 crores as compared to Rs. 62.35 crores in the corresponding previous year, registering a growth of approx. 10% as compared to previous corresponding year. As a result, your company has posted much better net profit of Rs. 2.24 crores as compared to Rs. 1.43 crores in the corresponding previous year registering healthy growth of approx. 56%. Your directors believe that improved financial results are directly attributable to several corrective measures viz. increasing volumes; improve productivity and ensuring overall operational efficiency at different stages and savings in cost.

### **OUTLOOKS AND RISKS**

Under a common goal, together we all look forward to capture both current and future market opportunities. We always seek opportunities to expand our product portfolio with relevant brands and categories. From Backpacks to Travel Gear, Belts & Wallets, Women Handbags & Women Wallets & Clutches and adding more.

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to Key business objectives. Major risks identified by the Board and systematically steps taken to mitigate on a continuous basis. The Company's internal control system is commensurate with the nature of its business and the size and complexity of operations.

### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal control system is commensurate with its size and scale of operations. Roles and responsibilities are clearly defined and assigned. Standard operating procedures are in place and have been designed to provide a reasonable assurance. Internal checks from time to time ensure that responsibilities are executed effectively. The observations and good practices suggested are thoroughly reviewed by the Management and appropriately implemented for strengthening the controls of various business processes.

### **HUMAN RESOURCE AND INDUSTRIAL RELATIONS**

Human resource has played a very important role in the growth of Brand Concepts. Managing a team of 10 people and managing a full team of more than 200 plus people at different locations needs a lot of efforts. We believe that our employees are key contributors to our success. Retail industry sees a high employee turnover. We have been fortunate enough to have people who have been committed to the organization



at all times. Our Company also looks for specific skill-sets, interests and background that would be an asset for its kind of business. Our team has a good mix of the experienced and young people, which gives us the dual advantage of stability and growth. Our people are our strength that derives success. Our basic objective is to ensure that a robust talent pipeline and a high-performance culture, centered on accountability is in place. We feel this is critical to enable us retain our competitive edge

#### **CAUTIONARY STATEMENT**

Statement made in this report in describing the Company's Objectives, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Many factors may affect the actual results, which could be different from what the directors envisage in terms of future performance and outlook. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, availability of inputs and their prices, changes in the Government policies, regulations, tax laws, economic developments within the country and outside and other factors such as litigation and industrial relations.

The Company assumes no responsibility to publically amend, modify or revise any forward-looking statements, on the basis of subsequent developments, information or events.

**For and on behalf of the Board of  
Brand Concepts Limited**

**Place: Indore**

**Dated: 09-08-2018**

**Prateek Maheshwari  
Managing Director  
DIN- 00039340**

**Abhinav Kumar  
Whole-Time Director  
DIN-06687880**

**ANNEXURE-VII**  
**Form No. MR-3 SECRETARIAL**  
**AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2018**  
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**Brand Concepts Limited**  
4th Floor, A Wing, Chakala,  
Andheri – Kurla Road,  
Andheri (East) Mumbai,  
Maharashtra -400093

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Brand Concepts Limited (hereinafter called “the company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year commencing from 1st April, 2017 and ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

**The Company was a private limited company and converted it into public limited company and amended its memorandum and Articles of Association. It has gone for Initial Public offering during the audit period and got listed on SME platform of NSE-EMERGE on 10th January, 2018. Accordingly SEBI act and regulations became applicable since then. Reporting is being done accordingly.**

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (not applicable to the company).
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable during the audit period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable during the audit period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable during the audit period) and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable during the audit period).

- (vi) The management of the Company has informed that there is no Industry specific law applicable to the Company as the Company is a trading entity.

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

- (i) Secretarial Standards in respect of Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India effective July 1, 2015 and as amended from time to time. Secretarial Standard regarding Dividends SS-3 is not applicable to the Company during the period.

- (ii) The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that the compliance by the Company of applicable financial laws has not been reviewed in this audit since the same have been subject to review by the statutory financial auditor and other designated professionals. The Company has a proper system of compliance of these laws.

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

**OBSERVATIONS:**

- a) As per the information and explanations provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I report under the provisions of the Companies Act and the rules and regulations made thereunder that the Company has filed eforms with the Registrar of Companies within time except few forms which were delayed due to procedural delay or not filed.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as per the Companies Act, 2013, as LODR provisions regarding this was not applicable to the Company during 2017-18 being SME listed Company. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All decisions were carried through unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committees of the Board, as the case may be. There is no dissenting view of member to capture and record as part of the minutes.

We further report that based on the review of compliance mechanism established by the Company and on the basis of the Compliance Certificates issued and taken on record by the Board of Directors at their meetings, and explanation and representation made by the Company and its Officers, we are of the opinion that the management has adequate systems and processes commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there was instance of major decisions having a bearing on the company's affairs as-

- (i) Conversion of preferential shares into equity share during the period when the Company was a private limited company.  
(ii) Initial Public Offer during the year under review and  
(iii) procedural decisions by the members in pursuance to section 180 of the Companies Act, 2013.

However there were no instances having a bearing on the company's affairs and have no other Major issues like

- (i) Right/Preferential issue of shares / debentures/sweat equity, etc.  
(ii) Redemption / buy-back of securities  
(iii) Merger / amalgamation / reconstruction etc.  
(iv) Foreign technical collaborations.

**For Manju Mundra & Co.**

**Place : Indore**

**Date : 9th August, 2018**

**CS ManjuMundra  
Proprietor  
FCS No.- 4431  
CPNo.- 3454**

**Note :** 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,  
**Brand Concepts Limited**  
4th Floor, A Wing, Chakala,  
Andheri – Kurla Road,  
Andheri (East) Mumbai,  
Maharashtra -400093

**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. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Manju Mundra & Co.**

**Place : Indore**  
**Date : 9th August, 2018**

**CS ManjuMundra**  
**Proprietor**  
**FCS No.- 4431**  
**CPNo.- 3454**

## Independent Auditor's Opinion

To the Members of  
**BRAND CONCEPTS LIMITED**

### Report on the Financial Statements

We have audited the accompanying financial statements of **BRAND CONCEPTS LIMITED** which comprise the Balance Sheet as at 31st March, 2018, and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (the Act) with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the Accounting principles generally accepted in India, including the Accounting Standard specified under section 133 of the Act read with rule 7 of the Companies Accounts Rules (2014). This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act, for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made there under.

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

### Brand Concepts Ltd.: 31.03.2018

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

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2018;

- (b) in case of Statement of Profit and Loss, of the profit of the Company for the year ended on that date.
- (c) in case of Cash Flow Statement, of the cash flows for the year ended on that date.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013, and on the basis of such checks as we considered appropriate and in terms of information and explanations given to us and as they relate to the Company, we enclose in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the said Order to the extent applicable to the company.
2. As required by Section 143(3) of the Act, we report that:

#### ***Brand Concepts Ltd.: 31.03.2018***

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards referred to in Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company does not have any pending litigations which would impact its financial position.
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection fund.

For **KHANDELWAL & JHAVER**  
Chartered Accountants  
FRN 003923C

**ANIL K. KHANDELWAL**  
Prop.  
M. No.072124

Place: INDORE  
Date : 28 May 2018

*Brand Concepts Ltd.: 31.03.2018*

**ANNEXURE A TO THE AUDITORS' REPORT**

Referred to in paragraph 1 of our report of even date.

1.
  - a. The Company is in the process of completing fixed assets records showing full particulars including quantitative details and situation of fixed assets.
  - b. We are informed that fixed assets have been physically verified by the management during the year except those which have been placed at third party's premises, and no discrepancy has been noticed on such verification. In our opinion, frequency of verification is reasonable having regard to the size of the company and the nature of its assets.
  - c. There is no immovable asset held by the company requiring possession of title deed.
- 2 We are informed that the inventories have been physically verified by the management during the year frequency of which is reasonable. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. Discrepancies noticed on physical verification were not material and the same have been properly dealt with in books of accounts.
3. As per information provided to us, the company has not granted any loan, secured or unsecured, to companies, firms, Limited Liability partnership or other parties covered in the register maintained under Section 189 of the Companies Act 2013 hence provisions of clauses 3(iii)(a) to (c) of the Order are not applicable.
4. There is no loan, investment, guarantee and security given by the company, hence provisions of section 185 & 186 of the companies act 2013 are not applicable.
5. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public during the year within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act and the Rules framed there under.
6. As informed to us, the company is not required to maintain cost records as specified by the Central Government U/s 148(1) of the Act.

*Brand Concepts Ltd.: 31.03.2018*

7.
  - a. According to the information and explanations given to us and the records examined by us, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, customs duty, cess and other material statutory dues applicable to it and there were no arrears of such statutory dues as on 31st March, 2018 for a period of more than six months from the date they became payable.
  - b. According to the information given, the particulars of dues with appropriate authorities on account of dispute are stated as below:

Name of Statue	Nature of Dues	Amount	Period	Forum
Sales Tax Act	M.P. CST	816613	2009-2010	TRIBUNAL APPEAL
Sales Tax Act	M.P. CST	1245863	2010-2011	TRIBUNAL APPEAL
Sales Tax Act	M.P. CST	978760	2011-2012	TRIBUNAL APPEAL
Sales Tax Act	M.P. CST	1782536	2012-2013	TRIBUNAL APPEAL
Sales Tax Act	M.P. CST	4356018	2013-2014	TRIBUNAL APPEAL
Sales Tax Act	M.P. CST	4710614	2014-2015	TRIBUNAL APPEAL
Sales Tax Act	MAHARASTRA CST	827228	2009-2010	APPEALATE AUTHORITY
Sales Tax Act	DELHI CST	2109823	2013-2014	APPEALATE AUTHORITY

8. The company is not in default as on the balance sheet date in repayments of loans and borrowings to financial institutions.
9. According to information and explanations given to us, the money raised by way of initial public offer and term loan, has been applied for the purposes they were taken.
10. During the course of our examination of the books and records of the company as carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud by the company or on the company, by its officers or employees, nor have we been informed of any such instance noticed or reported by the management.
11. According to information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provision of Section 197 read with schedule 5 to the Companies Act, 2013.
12. The Company is not a nidhi Company.

Brand Concepts Ltd.: 31.03.2018

13. According to information and explanations given to us, transactions with related parties are in compliance with section 177 and 188 of the companies Act 2013, wherever applicable, and details have been disclosed in the financial statement as required by the applicable accounting standard.
14. According to the information and explanations given to us, and as per the records of the company examined by us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence Clause 3 (xiv) is not applicable.
15. According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with them.
16. As informed to us, Company is not required to be registered under section 45-IA of the Reserve Bank of India, 1934.

For **KHANDELWAL & JHAVER**

Chartered Accountants  
FRN 003923C

**ANIL K. KHANDELWAL**

Prop.  
M. No.072124

Place: INDORE

Date : 28 May 2018



*Brand Concepts Ltd.: 31.03.2018*

## ANNEXURE B TO THE AUDITORS' REPORT

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial control over financial reporting of **BRAND CONCEPTS LIMITED** (hereinafter referred to as 'the Company') as at 31st March, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Control**

The Respective Board of Directors of the Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 Companies Act, 2013.

#### **Auditors' Responsibility**

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

#### **Brand Concepts Ltd.: 31.03.2018**

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Over Financial Reporting**

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

*Brand Concepts Ltd.: 31.03.2018*

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal financial controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **KHANDELWAL & JHAVER**

Chartered Accountants

FRN 003923C

**ANIL K. KHANDELWAL**

Prop.

M. No.072124

Place: INDORE

Date : 28 May 2018

**Brand Concepts Limited (U51909MH2007PLC174702)**  
**Balance Sheet as at 31-03-2018**

Particulars	Notes	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
<b>EQUITY &amp; LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share Capital	3	105,828,000	140,000,000
(b) Reserves & Surplus	4	128,895,545	(37,848,987)
<b>(2) Non-current liabilities</b>			
(a) Long-term borrowings	5	46,581,795	71,387,832
(b) Long-term provisions	6	3,427,431	3,460,464
<b>(3) Current liabilities</b>			
(a) Short-term borrowings	7	150,791,898	104,700,155
(b) Trade payables	8	145,099,974	125,280,584
(c) Other current liabilities	9	68,530,701	59,905,982
(d) Short term provisions	10	147,945	147,945
<b>TOTAL</b>		<b>649,303,289</b>	<b>467,033,974</b>
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets	11		
(i) Tangible assets		39,879,843	40,645,722
(ii) Intangible assets		69,478	102,801
(b) Deferred tax assets (Net)	12	7,394,386	11,888,535
(c) Long-term loans & advances	13	9,540,138	7,427,222
<b>(2) Current assets</b>			
(a) Inventories	14	163,817,353	176,661,826
(b) Trade receivables	15	377,023,728	212,607,147
(c) Cash & cash equivalents	16	11,023,252	5,752,109
(d) Short-term loans & advances	17	40,555,110	11,948,612
<b>TOTAL</b>		<b>649,303,289</b>	<b>467,033,974</b>
Corporate Information	1		
Summary of Significant Accounting Policies	2		
Other Notes on Financial Statement	25		

As per our report of even date attached.

For and on behalf of the Brand Concepts Limited

**For Khandelwal & Jhaver**

Chartered Accountants

FRN- 003923C

**Prateek Maheshwari**  
**(Managing Director)**

DIN (00039340)

**Abhinav Kumar**  
**(CFO & Whole**  
**Time Director)**

DIN (06687880)

**Swati Gupta**  
**(Company Secretary)**

(M.No. A33016)

**CA. Anil K. Khandelwal**

Proprietor (M.No. 072124)

Place : Indore

Date : 28th May 2018

**Brand Concepts Limited (U51909MH2007PLC174702)**  
**Statement of Profit and Loss for the year ended 31-03-2018**

Particulars	Notes	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
<b>Income</b>			
(a) Revenue from operations	18	683,674,025	623,531,396
(b) Other income	19	2,086,432	2,366,793
<b>Total Revenue</b>		<b>685,760,457</b>	<b>625,898,190</b>
<b>Expenses:</b>			
(a) Purchases of Traded goods		307,191,345	410,961,262
(b) Changes in Inventories	20	12,844,472	(87,266,094)
(c) Employee benefit expenses	21	97,640,742	79,840,700
(d) Finance cost	22	33,430,205	30,003,951
(e) Depreciation and amortization expenses	23	12,938,866	10,277,878
(f) Other expenses	24	191,397,647	159,705,248
<b>Total Expenses</b>		<b>655,443,277</b>	<b>603,522,946</b>
<b>Profit before exceptional and extraordinary items and tax</b>		30,317,180	22,375,243
Exceptional items		-	-
<b>Profit before extraordinary items and tax</b>		30,317,180	22,375,243
Extraordinary items		-	-
<b>Profit before tax</b>		30,317,180	22,375,243
Tax expenses:			
- Earlier Year Tax		(42,650)	
- Current Tax		3,395,650	553,000
- Deferred Tax		4,494,149	7,450,868
- MAT Credit Entitlement		-	
		7,847,149	8,003,868
Profit/(loss) for the period		22,470,031	14,371,375
Earnings per equity share:			
(a) Basic		2.83	2.05
(b) Diluted		2.83	2.05
Corporate Information	1		
Summary of Significant Accounting Policies	2		
Other Notes on Financial Statement	25		

As per our report of even date attached.

**For Khandelwal & Jhaver**

Chartered Accountants

FRN- 003923C

**CA. Anil K. Khandelwal**

Proprietor (M.No. 072124)

Place : Indore

Date : 28th May 2018

**For and on behalf of the Brand Concepts Limited**

**Prateek Maheshwari**  
(Managing Director)

DIN (00039340)

**Abhinav Kumar**  
(CFO & Whole  
Time Director)

DIN (06687880)

**Swati Gupta**  
(Company Secretary)

(M.No. A33016)

**Brand Concepts Limited (U51909MH2007PLC174702)****Notes forming part of the financial Statements for the period ended: 31-03-2018****NOTE: 1 CORPORATE INFORMATION**

Brand Concepts Limited was promoted as a Private Limited Company under the provisions of the Companies Act, 1956. Company is a trading company which deals in branded fashion accessories and works on the basis of specialized marketing concepts.

**NOTE: 2 SUMMARIES OF SIGNIFICANT ACCOUNTING POLICIES****21 Basis of Accounting :**

The financial statements are prepared and presented under the historical cost convention, on the accrual basis except wherever otherwise stated, in accordance with the accounting principles generally accepted in India ('Indian GAAP'), and comply with the Accounting Standards prescribed u/s 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The Accounting policies have been consistently applied by the Company.

**22 Use of Estimates :**

The preparation of the financial statements in conformity with GAAP requires Management to make estimates and assumptions that effect the reported balances of assets and liabilities and disclosure relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provision for doubtful debts, future obligations under employee retirement benefit plans, income taxes and the useful lives of fixed assets and intangible assets. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates.

**23 Fixed Assets :****1) Tangible Assets:-**

All fixed assets are stated at cost of acquisition less accumulated depreciation. Cost comprises of the purchase price and any other direct attributable costs of bringing the assets to its working conditions for its intended use. The cost of the fixed assets, subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such assets beyond its previously assessed standard of performance.

**2) Intangible Assets:-**

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises its purchase cost and any directly attributable expenditure on making the assets ready for its intended use and net of any trade discounts and rebates. Subsequently expenditure on an intangible asset after its purchase / completion is recognized as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the cost of the assets.

**3) Capital Work in Progress:-**

Includes cost of fixed assets that are not ready to use at the balance sheet date. Advance paid for capital assets are not Considered as Capital Work in Progress but classified as Long Tern Advances.

"2.4 Revenue Recognition :Revenue recognition in case of sale is done on the following basis:-

- In case of Franchises, Corporate Sales, Distributors, Online and Modern Trade: The sales are recognized as soon as the goods are dispatched from the premises and there is every expectation that delivery will be made, or when all significant risk and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects VAT/GST on behalf of the Government and therefore these are not economic benefits flowing to the Company hence they are excluded from the revenue."

- In case of Own showroom retail sales, the sales are recognized when goods are sold to the final customer.

Interest income is recognized on time proportion basis.

Any other income is recognized when right to receive is established and there is no uncertainty regarding receipt.

**25 Inventory Valuation :**

Inventory has been valued as per FIFO basis at lower of cost or net realizable value after providing the obsolescence and other losses, where considered necessary. Cost comprises all costs including duties and taxes (other than those subsequently recoverable from tax authorities), conversion cost and other cost incurred for bringing goods to their present location as per accounting standard AS2.

**26 Employee Benefits:**

Short Term Employee Benefits :All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, and short term compensated absences, etc. are recognized in the period in which the employee renders the related services.

**Notes forming part of the financial Statements for the period ended: 31-03-2018****Post employment benefits :**

- (i) Defined Contribution Plans: The Employee State Insurance Scheme and Contributory Provident Fund administered by Provident Fund Commissioner are defined contribution plans. The Company's contribution paid/payable under the schemes is recognized as expense in the Statement of Profit and Loss during the period in which the employee renders the related service.
- (ii) Defined Benefit Plans: The present value of the company's obligation towards gratuity payment to employees is determined based on the actuarial valuation, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, are as per actuarial valuation. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

Retirement Benefits : Provision for Gratuity / Bonus / Provident Fund and other benefits is made on accrual basis.

**27 Depreciation / Amortization :*****Tangible Assets / Intangible Assets:-***

Depreciation on fixed assets acquired / installed has been provided on Written Down Value Method and in the manner prescribed in Schedule VI to the Companies Act, 2013 except in respect of assets where useful life is different than those prescribed in Schedule II. Depreciation on assets capitalized / sold during the year is charged on pro rata basis.

**28 Foreign Currency Transactions and Translations :**

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit & Loss for the year.

Monetary assets and liabilities in foreign currency outstanding as at the end of the year are translated at the closing exchange rate and the resultant exchange rate differences are recognized in the Statement of Profit & Loss.

**29 Investments :**

Investments are classified into current and non current investments. Non current investments are carried at cost. Provision for diminution, if any, is made to recognize a decline other than temporary, in the value of the investments. Current investments are stated at lower of cost and fair value.

**210 Earning Per Share :**

Basic and diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year. There are no diluted potential equity share.

**211 Provision and Contingencies :**

Provisions for contingencies comprise liabilities of uncertain timing or amount. Provisions are recognized when the company recognizes that it has a present obligation as a result of past events and it is more likely that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

Disclosures for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resource. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Loss/ contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

Contingent assets are not recognized in the financial statements.

**212 Taxes on Income :**

Current Tax being the amount of tax payable on the taxable income for the year is determined in accordance with the provisions of Income Tax Act, 1961. Deferred Tax is recognized between the timing difference being the difference by taxable income and accounting income that originate in one period and are capable for reversal in one or more subsequent year.

**213 Impairment :**

Every Year the Company reviews carrying values of tangible and intangible assets for any possible impairment. In case of any indication of impairment then recoverable amount of such assets is estimated and impairment is recognized if the carrying amount of these assets exceeds their recoverable amount. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the statement of profit and loss, except in case of revalued assets.

**Notes forming part of the financial Statements for the period ended: 31-03-2018****214 Borrowing Cost:**

Borrowing Costs includes interest , amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the statement of profit and loss over the tenure of the loan. Borrowing Cost allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalization of such asset is added to the cost of the assets. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying asset is interrupted.

**215 Accounting Standards:**

The Company is a Small and Medium Sized Company (SMC) as defined in the General instruction in respect of Accounting Standards notified under the Companies Act, 2013. Accordingly, the company has complied with the Accounting standards as applicable to a small and Medium sized Company to the extent applicable.

**216 Share issue expenses :**

Share issue expenses are adjusted against the Securities Premium Account as permissible under Section 52(2)(c) of the Companies Act, 2013, to the extent balance is available for utilization in the Securities Premium Account.

**217 Insurance claims :**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

As certified by the management the value on realization of loans and advances and current assets in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet.

Particulars	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
<b>NOTE: 3 - SHARE CAPITAL</b>		
<b>Authorized Share Capital</b>		
<b>Equity Share Capital</b>		
150,00,000 (Prev Year 80,00,000) Equity Shares of Rs. 10/- each	150,000,000	80,000,000
<b>Preference Share Capital</b>		
Nil (Previous year 7,00,000) Pref. Shares of Rs. 100/- each	-	70,000,000
<b>Issued, Subscribed and Paid Up</b>		
<b>Equity Share Capital</b>		
105,82,800, (Prev Year 70,00,000) Equity Shares of Rs. 10/- each (Fully paid Up)	105,828,000	70,000,000
<b>Preference Share Capital</b>		
Nil (Previous year 7,00,000) Pref shares of Rs. 100 each (Fully Paid Up)	-	70,000,000
	105,828,000	140,000,000
<b>(A) Reconciliation of number of shares :</b>		
Balance as at the beginning of the year	7,000,000	7,000,000
Add:- Shares Issued during the Year	2,805,000	-
Add:- 700000 Pref. Shares Converted in to Equity	777,800	-
Balance as at the end of the year	10,582,800	7,000,000
<b>(B) Terms/rights attached to Equity Shares</b>		
The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.		
% of Shares held by Holding company / Ultimate holding company /		
Subsidiary company /Associate of holding company / Associate of ultimate holding company.		

## Notes forming part of the financial Statements for the period ended: 31-03-2018

## (C) Shareholders holding more than 5% paid up Equity share capital

Particulars	As at 31st	As at 31st
	March, 2018	March, 2017
	Rs.	Rs.
	Number- %	Number- %
Annapurna Maheshwari	1050000 - 09.92%	1050000 -15.00%
Prateek Maheshwari	1050000 - 09.92%	1050000 -15.00%
Pradeep Maheshwari	2525000 - 23.86%	2525000 -36.07%
IFF Overseas Pvt. Ltd.	588000 - 05.56%	588000 - 08.40%
Pradeep Maheshwari HUF	900000 - 08.50%	900000 -12.86%
Abhinav Kumar	700000 - 06.61%	700000 -10.00%
<b>(A1) Reconciliation of number of shares :</b>		
Balance as at the beginning of the year	700,000	200,000
Add:- Shares Issued during the Year	-	500,000
Less:- 700000 Pref. Shares Converted in to Equity	(700,000)	-
Balance as at the end of the year	-	700,000
<b>(B1) Terms/rights attached to Preference Shares</b>		
The Company has only one class of Preference shares having a par value of Rs.100 per share.		
(C1) % of Shares held by Holding company / Ultimate holding company /		
Subsidiary company /Associate of holding company / Associate of ultimate holding company.		
Shareholders holding more than 5% paid up Preference share capital	Number - %	Number - %
Tanam Investment Services Pvt. Ltd.	-	200000 -28.57%
Laxmi Chandkant Shah	-	300000 -42.86%
Prashant Shah	-	200000 -28.57%
<b>NOTE: 4 RESERVES &amp; SURPLUS</b>		
<b>Securities Premium</b>	170,397,000	10,000,000
<b>Less:- Public Issue Exp.</b>	(16,122,500)	
Profit & Loss Account		
Balance As Per Previous Year	(47,848,987)	(62,220,362)
Add:- Profit (Loss) For the Year	22,470,031	14,371,375
	<b>128,895,545</b>	<b>(37,848,987)</b>
<b>NOTE: 5 LONG TERM BORROWINGS</b>		
<b>Secured Loans</b>		
<b>Optionally Convertible Debt From SIDBI</b>		
Secured by charge on all the assets (including current assets) of the company which shall be subservient to the existing charge created on the date of sanction of OCD. It is further secured by personal guarantee of promoters & directors and corporate guarantee of M/s IFF Overseas Pvt. Ltd. Repayment Terms - In 48 monthly installments to commence after 36 month from the date of first disbursement i.e. March 2018 Detail of continuing default : NIL	-	7,069,895
<b>Other Secured Term Loans</b>	7,654,844	7,620,585
<b>Unsecured Loans</b>		
From Shareholders	18,087,431	42,568,873
From Financial Institutions	20,839,519	14,128,479
	<b>46,581,795</b>	<b>71,387,832</b>
<b>NOTE : 6 LONG-TERM PROVISIONS</b>		
Provision for Gratuity	3,427,431	3,460,464
	<b>3,427,431</b>	<b>3,460,464</b>



## Notes forming part of the financial Statements for the period ended: 31-03-2018

Particulars	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
<b>NOTE: 7 SHORT TERM BORROWINGS</b>		
<b>Loans repayable on demand</b>		
Working Capital Limits from Yes Bank Ltd. (Previous Year From State Bank of India) Secured by hypothecation of all Current Assets and Personal Guarantee of directors and others with Equitable Mortgage on the property of others.	145,759,227	97,152,155
Repayable on demand. No default in payment of interest.		
<b>Unsecured Loans</b>		
Intercorporate Deposits	5,032,671	7,548,000
	<b>150,791,898</b>	<b>104,700,155</b>
<b>NOTE : 8 TRADE PAYABLES</b>		
Sundry Creditors		
For Goods	103,785,214	91,905,636
For Expenses	40,473,447	25,022,907
For Capital Goods		
	<b>145,099,974</b>	<b>125,280,584</b>
In the absence of information from supplier about their status as Micro Small and Medium Enterprises, amount outstanding to such enterprises under the Micro, Small and medium Enterprise Act, 2006 is non ascertainable.		
<b>NOTE : 9 OTHER CURRENT LIABILITIES</b>		
Current maturities of long-term debts:- *		
1. SIDBI	5,457,000	7,500,000
2. Other Secured Term Loans	3,773,324	2,968,856
3. Unsecured Loans	19,731,067	11,881,187
Interest accrued but not due on borrowings	47,016	129,500
Outstanding Expenses	14,291,397	8,457,071
Provision For Income Tax	3,395,650	553,000
Statutory Dues	21,835,247	26,541,084
Payable to Customers		
	<b>68,530,701</b>	<b>59,905,982</b>
(* For Securities and other detail please refer to Note 5)		
<b>NOTE : 10 SHORT-TERM PROVISIONS</b>		
Provision for Leave Encashment	147,945	147,945
	<b>147,945</b>	<b>147,945</b>
<b>NOTE : 12 DEFFERED TAX ASSETS (NET)</b>		
Deferred Tax Assets/(Liability) for difference in written down value of Fixed Assets as per Companies Act and Income Tax Act	11,888,535	19,339,404
Provided During the year	(4,494,149)	(7,450,868)
Deferred Tax Assets/(Liability)	7,394,386	11,888,535
<b>NOTE : 13 LONG-TERM LOANS AND ADVANCES</b>		
(Unsecured Considered Good)		
Security Deposits	9,540,138	7,427,222
	<b>9,540,138</b>	<b>7,427,222</b>

## Notes forming part of the financial Statements for the period ended: 31-03-2018

Particulars	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
Long Term Loans and advances stated above include debts due by (either severally or jointly) Directors/Officers of the company/ Firms or Private Company in which director is a Partner or a director or a member.	NIL	NIL
<b>NOTE : 14 INVENTORIES</b> Stock -in -trade (At lower of cost or net realizable value on FIFO Basis)	<b>163,817,353</b>	<b>176,661,826</b>
<b>NOTE : 15 TRADE RECEIVABLES</b> (UNSECURED) Outstanding for a period exceeding Six months from the due date (considered good) Others	5,081,061 371,942,667 <b>377,023,728</b>	13,466,981 199,140,166 <b>212,607,147</b>
<b>NOTE : 16 CASH AND BANK BALANCES</b> Cash and cash Equivalents Balance with Schedule banks in Current Accounts Fixed Deposit in margin money against Letter of Credit having Maturity up to twelve months. Cash in Hand	454,553 9,860,669 708,031 <b>11,023,252</b>	1,684,092 3,548,453 519,564 <b>5,752,109</b>
<b>NOTE : 17 SHORT TERM LOANS AND ADVANCES</b> Advance For Goods or Services Balances With Revenue Authorities Staff Loans / Advances Insurance Claim Other Current Assets	30,176,169 6,875,517 1,115,380 1,760,693 627,351 <b>40,555,110</b>	3,698,214 5,110,698 520,643 1,810,591 808,467 <b>11,948,612</b>
<b>NOTE : 18 REVENUE FROM OPERATIONS</b> Sale of Products	683,674,025 <b>683,674,025</b>	623,531,396 <b>623,531,396</b>
<b>NOTE : 19 OTHER INCOME</b> Interest Miscellaneous Income Gain From Foreign Exchange Fluctuations	444,171 323,713 1,318,548 <b>2,086,432</b>	860,482 199,423 1,306,889 <b>2,366,793</b>
<b>NOTE : 20 CHANGES IN INVENTORIES</b> Traded Goods as at the beginning of year Traded Goods at the end of the year Increase/(Decrease) in Inventory]	176,661,826 163,817,353 <b>(12,844,472)</b>	89,395,732 176,661,826 <b>87,266,094</b>
<b>NOTE : 21 EMPLOYEE BENEFIT EXPENSES</b> Salaries & Wages Directors' Remuneration Contribution to Provident & Other Funds Staff Welfare Expenses	76,380,233 13,200,000 6,894,112 1,166,397 <b>97,640,742</b>	61,525,262 12,000,000 5,140,597 1,174,841 <b>79,840,700</b>

## Notes forming part of the financial Statements for the period ended: 31-03-2018

Particulars	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
<b>NOTE : 22 FINANCE COST</b>		
Interest	29,730,452	24,924,317
Bank Charges and Other Borrowing Cost	3,699,753	5,079,634
	<b>33,430,205</b>	<b>30,003,951</b>
<b>NOTE : 23 DEPRECIATION and AMORTIZATION EXPENSES</b>		
Depreciation	12,938,866	10,277,878
	<b>12,938,866</b>	<b>10,277,878</b>
<b>NOTE : 24 OTHER EXPENSES</b>		
Audit Fees	180,000	150,000
Brand License Fees	74,511,865	72,285,661
Business Development Expenses	22,379,782	10,345,869
Conveyance Expenses	2,077,993	1,579,178
Electricity Expenses	2,870,230	2,259,095
Freight & Cartage	16,988,317	17,329,286
Insurance	1,142,609	1,101,722
Legal & Professional Fees	6,629,225	5,776,977
Office Expenses	786,852	427,119
Packing & Forwarding	7,198,024	5,909,718
Postage & Courier Expenses	643,105	548,143
Rent	28,927,142	26,334,008
Rent , Rates & Taxes	6,256,510	1,952,858
Repairs & Maintenance	1,898,890	1,397,942
Stationery Printing	104,995	248,669
Shortage & Pilferage	830,482	144,725
Telephone Expenses	1,298,385	1,382,027
Travelling Expenses	10,232,860	8,009,424
Other Expenses	6,440,382	2,522,829
	<b>191,397,647</b>	<b>159,705,248</b>

Notes forming part of the financial Statements for the period ended: 31-03-2018

## NOTE : 11 FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	AS ON 01.04.2017	ADDITION	DELETION	AS ON 31.03.2018	AS ON 01.04.2017	DURING THE YEAR	WRITTEN BACK	AS ON 31.08.2018	AS ON 31.08.2018	AS ON 31.08.2017
<b>Tangible Assets</b>										
Office Equipments	4,079,772	273,582		4,353,354	2,895,175	570,863	-	3,466,038	887,316	1,184,597
Computers	3,110,010	488,856		3,598,866	2,548,296	431,638	-	2,979,934	618,932	561,714
Furniture & Fixtures	77,071,194	6,237,434		83,308,628	40,627,535	10,421,105	-	51,048,640	32,259,988	36,443,659
Vehicle	3,574,410	5,139,793		8,714,203	1,119,368	1,481,688	-	2,601,056	6,113,147	2,455,042
Cycle										
	<b>87,841,206</b>	<b>12,139,665</b>	<b>-</b>	<b>99,980,871</b>	<b>47,195,484</b>	<b>12,905,544</b>	<b>-</b>	<b>60,101,028</b>	<b>39,879,843</b>	<b>40,645,722</b>
<b>Intangible Assets</b>										
Computer Software	1,297,217		-	1,297,217	1,194,416	33,322	-	1,227,738	69,478	102,801
<b>Furniture &amp; Fixtures (W.I.P.)</b>			-					-		
<b>TOTAL</b>	<b>89,138,423</b>	<b>12,139,665</b>	<b>-</b>	<b>101,278,087</b>	<b>48,389,900</b>	<b>12,938,866</b>	<b>-</b>	<b>61,328,766</b>	<b>39,949,321</b>	<b>40,748,523</b>
<b>Previous Year</b>	<b>63,909,679</b>	<b>27,960,594</b>	<b>2,731,850</b>	<b>89,138,423</b>	<b>38,112,022</b>	<b>10,277,878</b>	<b>-</b>	<b>48,389,900</b>	<b>40,748,523</b>	<b>25,797,657</b>

## Notes forming part of the financial Statements for the period ended: 31-03-2018

Particulars	March, 2018	March, 2017
<b>NOTE : 25 OTHER NOTES ON FINANCIAL STATEMENTS</b>		
25.1 Contingent liabilities and commitments (to the extent not provided for)		
(i) Contingent Liabilities	NIL	NIL
(a) Claims against the company not acknowledged as debt	NIL	NIL
(b) Guarantees issued by bank	52275721	22427156
(c) Other money for which the company is contingently liable	16827455	19792456
Sales Tax Demand in Appeal/ (Amount Paid)	(6504747)	(4590288)
<b>(ii) Commitments</b>		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for and (Advances paid)		
(b) Other Commitments	NIL	NIL
<b>25.2 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006</b>		
Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2nd October 2006 Certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. The Management has confirmed that none of the suppliers have confirmed that they are registered under the provisions of this Act. In view of this, the liability of the interest and disclosures are not required to be disclosed in the financial statement.		
253 In Accordance with the Accounting Standards (AS) –11 “The effects of changes in foreign exchange rates” issued by the Institute of Chartered Accountants of India (ICAI) and notified under the Companies Accounting Standards Rules, 2006, the receivables at the balance sheet date are treated as monetary items and are therefore reported using the closing rates.		
<b>254 Segment Reporting:</b>		
In accordance with Accounting Standard 17 “Segmental Reporting”, the Company has determined its business segment as Trading of Travel Bags and accessories. Since more than 90% of business is from Trading of Travel Bags and accessories, there are no other primary reportable segments. Thus, the segment revenue, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge of depreciation and amortization during the year are all as is reflected in the financial statements as at and for the year ended March 31, 2018. The Company is primarily operating in domestic market and hence there are no reportable geographical segments.		
255 <b>Earning in Foreign Currency</b>	NIL	NIL
256 <b>Expenditure in Foreign Currency</b>		
Travelling Expenses	1,917,448	738,175
Royalty in Foreign Currency	1,627,369	Nil
Value of Import on C.I.F. basis	124185653	139311741
257 <b>Auditors Remuneration</b>		
Audit Fees	140,000	120,000
Tax Audit Fees	40,000	30,000
Other Services & Certification	197,000	36,000
	<b>377,000</b>	<b>186,000</b>
<b>25.8 Directors' Remuneration</b>	<b>13,200,000</b>	<b>12,000,000</b>
<b>25.9 Earning Per Share (AS-20)</b>		
Net Profit / (Loss) available to Equity Shareholders	22470031	14371375
Weighted Number of Equity Shares	7,933,667	7,000,000
Earning Per Share (Basic) in Rupees	2.83	2.05
Earning Per Share (Diluted) in Rupees	2.83	2.05
Face value of share in Rupees	10.00	10.00

## Notes forming part of the financial Statements for the period ended: 31-03-2018

## 25.11 Related Party Disclosures

S. No.	Name of the Related Party	Nature of Relationship	Nature of Transaction	Transaction during 2017-18	Outstanding Balance as at 31.03.2018 Receivable/ (Payable)	Transaction during 2016-17	Outstanding Balance as at 31.03.2017 Receivable/ (Payable)
1	Shri Prateek Maheshwari	Director	Director Remuneration	7200000	(600000)	6000000	(600000)
			Interest Paid			452669	(219967)
			Loan Received	2570000	-	5325000	(726075)
			Advance (Against Property)	6020000	-	-	-
2	Shri Pradeep Maheshwari	Director's Relative	Interest Paid	-	-	25685	(23116)
			Loan Received	-	-	5000000	-
3	Smt. Annapurna Maheshwari	Director	Interest Paid	-	-	116993	(57654)
			Loan Received	858999	-	3425000	-
4	Shri Abhinav Kumar	Director	Director Remuneration	6000000	(500000)	6000000	(500000)
			Interest Paid	50411	(45370)		
			Loan Received	13000000	(3000000)	1000000	-
5	Ara Designs Prop. Purva Kumar	Director's Relative	Designing Fees	585000	-	444444	-
6	IFF Overseas Pvt. Ltd.	Associates	Purchase (Incl. Taxes)	54478720	(13500845)	74151925	(15889111)
			Job Work Charges	495040	(495040)		
			Furniture Purchased	-	-	7350000	(7350000)
			Rent (Inc. Taxes)	1077750	(945000)	344750	-

## 25.12 Cash Flow Statement

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extraordinary items	30,317,180	22,375,243
Adjustments for:		
Depreciation & Misc. expenditure written off	12,938,866	10,277,878
Interest and other charges	33,430,205	30,003,951
Interest Income	(444,171)	(860,482)
Operating profit before working capital changes	<b>76,242,080</b>	<b>61,796,591</b>
Adjustments for:		
Trade and other receivables	(195,135,994)	(65,144,826)
Inventories	12,844,472	(87,266,094)
Trade & other Payables	25,058,078	48,532,077
Cash generated from operations	<b>(80,991,364)</b>	<b>(42,082,251)</b>
Net Cash from operating activities	<b>(80,991,364)</b>	<b>(42,082,251)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(12,139,665)	(25,228,744)
Deposits		
Interest Received	444,171	860,482
Net Cash from/ (used) in investment activities	<b>(11,695,493)</b>	<b>(24,368,262)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of share capital	110,102,500	50,000,000
Proceeds from long / short term borrowings (Net)	21,285,706	48,796,887
Interest and other charges paid	(33,430,205)	(30,003,951)
Dividend including Dividend Distribution Tax paid		
Net Cash (used) / from financing activities	<b>97,958,001</b>	<b>68,792,936</b>
<b>D. Net increase / (decrease) in cash and cash equivalents</b>	5,271,143	2,342,423
Opening balance of Cash and cash equivalents	5,752,109	3,409,686
Closing balance of Cash and cash equivalents	<b>11,023,252</b>	<b>5,752,109</b>
<b>25.13</b> Management certify that the value on realisation of loans and advances and current assets have the value, in the ordinary course of business, not less than the value at which they are stated in the Balance Sheet.		
<b>25.14</b> Previous years figures have been re-grouped and re-arranged wherever considered necessary. Purchases of current year are not comparable with previous year as purchase of Previous year Includes Excise Duty which was a cost to the company, where as w.e.f. 01.07.2017 GST on Purchase (Excise Duty) is availbale as Input credit thus does not included in purchases.		

As per our report of even date attached.

For and on behalf of the Brand Concepts Limited

For Khandelwal &amp; Jhaver

Chartered Accountants

FRN- 003923C

Prateek Maheshwari  
(Managing Director)

DIN (00039340)

Abhinav Kumar  
(CFO & Whole  
Time Director)

DIN (06687880)

Swati Gupta  
(Company Secretary)

(M.No. A33016)

CA. Anil K. Khandelwal

Proprietor (M.No. 072124)

Place : Indore

Date : 28th May 2018

**BRAND CONCEPTS LIMITED  
CIN: U51909MH2007PLC174702**

**Regd. Office: 4th Floor, A Wing Chakala, Andheri-Kurla Road, Andheri (East) Mumbai (M.H.) 400093**

**PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL**

Joint shareholders may obtain additional Slip at the venue of the meeting

**NAME AND ADDRESS OF THE SHAREHOLDER**

I hereby record my presence at the 11th ANNUAL GENERAL MEETING of the Company held on ....., .... day of September, 2018 at ..... P.M. at .....

\*Applicable for investors holding shares in electronic form.

\_\_\_\_\_  
Signature of Shareholder / proxy



**BRAND CONCEPTS LIMITED**  
**CIN: U51909MH2007PLC174702**

**Regd. Office: 4th Floor, A Wing Chakala, Andheri-Kurla Road, Andheri (East) Mumbai (M.H.) 400093**

Name of the member (s):

e-mail Id:

Registered address :

Folio No./\*Client Id: DPIId\*

I/We, being the member(s) of ..... shares of Brand Concepts Limited, hereby appoint:

- 1) .....of.....having email id..... or failing him.
- 2) .....of.....having email id..... or failing him.
- 3) .....of.....having email id..... or failing him.

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 11th Annual General Meeting of the Company, to be held on ....., ..... day of September, 2018 at ..... P.M. at .....and at any adjournment thereof in respect of such resolutions as are indicated below:

\*Applicable for investors holding shares in electronic form.

**Resolutions**

1. Consider and adopt Audited Financial Statement, Reports of the Board of Directors and Auditors.
2. To appoint a director in place of Mrs. Annapurna Maheshwari (DIN: 00038346), who retires by rotation and being eligible offers herself forre-appointment.
3. To Appoint Statutory Auditor of the Company.
4. Increase in Remuneration of Mr. Abhinav Kumar, Executive Director & CFO.
5. Confirmation of Mr. Manish Saksena as Director.

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

Folio No./DP Id/Client Id No. : ..... Signature of Shareholder : .....

Signature of Proxy holder : .....

**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 11th Annual General Meeting.

# **BRAND CONCEPTS LIMITED**

## **REGISTERED OFFICE**

4th Floor, A Wing, Chakala, Andheri - Kurla Road, Andheri (East) Mumbai - 400093 (MH)

## **CORPORATE OFFICE**

140/2/2, Musakhedi Square, Ring Road, Indore - 452010 (MP)