**TRANSCRIPT OF 25th ANNUAL GENERAL MEETING OF CREDO BRANDS MARKETING LIMITED HELD ON FRIDAY, AUGUST 30, 2024, 12:30 P.M. (IST)**

(Please refer the audio recordings available at <https://www.credobrands.in>)

Mr. Kamal Khushlani, Chairman of the Board.

**Mr. Kamal Khushlani –**

Good Afternoon Members,

On behalf of the Board of Directors of Credo Brands Marketing Limited, I welcome you all to this 25th Annual General Meeting of Credo Brands Marketing Limited (**AGM**) and thank you for joining this meeting.

Pursuant to the Circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India (**SEBI**), this AGM is being held through audio - video conference mode. The Company has taken all feasible efforts to enable Members to participate through video conference and vote at the AGM.

**Mr. Kamal Khushlani -**

Members attending the AGM through audio - video conference mode, are being reckoned for the purpose of the quorum under Section 103 of the Companies Act, 2013.

Since, the requisite quorum is present, I declare the Meeting is in order.

This AGM is being held through audio - video conference mode hence, the facility for appointment of proxies by the Members was not applicable.

Further, the Company has received 1 (one) Representation under Section 113 of the Companies Act 2013 from the Body(ies) Corporate representing 53,88,555 (Fifty-Three Lakh Eighty-Eight thousand Five Hundred and Fifty-Five) Equity Shares being 8.35% of the total paid-up Equity Share Capital of the Company.

**Mr. Kamal Khushlani –**

Before proceeding with the Meeting, let me introduce the other Board Members and KMPs:

1. Mrs. Poonam Khushlani - Whole-time Director
2. Mr. Manoj Nakra - Non-Executive Director and Chairman of Stakeholder Relationship Committee
3. Mr. Paresh Bambolkar - Independent Director and Chairman of Audit Committee
4. Mr. Amer Jaleel - Independent Director and Chairman of Nomination and Remuneration Committee
5. Mrs. Ramona Jogeshwar - Independent Director

Let me also introduced the key managerial personal:

1. Mr. Rasik Mittal - Chief Financial Officer; and
2. Mr. Sanjay Kumar Mutha - Company Secretary

**Mr. Kamal Khushlani -**

Let me also place on record that -

Mr. Jayesh Parmar, Partner and representative of Deloitte Haskins & Sells LLP, Statutory Auditors,

Mr. Ojas Joshi, Partner of MSKC & Associates, proposed new Statutory Auditors; and

Mr. Mukesh Siroya Partner of M/s. M Siroya and Company, Secretarial Auditor; are also attending this AGM.

**Mr. Kamal Khushlani –**

The Statutory Registers and other documents as required to be kept open for inspection at the AGM are available electronically for inspection during the meeting, on the website of Company.

As the Annual Report for FY 2023-24 and the Notice of the AGM have already been circulated thru electronically to the Members of the Company.

With the permission of the Members present, I shall take the Notice convening the AGM as read.

Further, the Auditors have issued a Unmodified Auditors’ Report on the Standalone and Consolidated Financial Statements of the Company (which forms part of the Annual Report). Accordingly, these reports are not required to be read out, as provided in the Companies Act, 2013.

With the permission of the Members present, I shall take the Auditors’ Report as read.

**Mr. Kamal Khushlani -**

Dear Shareholders, a very warm welcome to our 1st Annual General Meeting of your Company post listing. This milestone marks a significant chapter in MUFTI’s journey, and I am deeply grateful for the trust and confidence you have placed in us.

As I reflect on MUFTI's remarkable journey since its inception in 1998, I am filled with both pride and gratitude. MUFTI has emerged as a home-grown Indian brand deeply rooted in the vibrant spirit of Mumbai – a city known for its resilience, cultural diversity, and constant evolution. These qualities have profoundly shaped MUFTI's brand philosophy, enabling us to communicate & connect with our consumer in this ever-changing fashion landscape.

MUFTI was born at the cusp of the millennium post-liberalisation; as the creative-minded, free-spirited, expressive young Indian man was ready to start experimenting and go beyond the grey, blue and white. The fashion industry is known for its dynamism, with significant shifts in trends occurring every couple of decades. Styles come into trend, fade, and make comebacks, reflecting the cyclical nature of fashion. Over the first decade of our existence, we witnessed, responded, and championed the cause of ‘Slim fit’; moving on from a boxy, and baggy silhouette. Now, 26 years later, we are driving the resurrection of the relaxed fit, as seen adorned by influencers, celebrities, and trendsetters. It remains our characteristic, ability to read and respond to change and remain ahead of the curve with changing times.

MUFTI was born distinguished by its creative, bold, and expressive designs for the contemporary Indian man, offering something distinctly different from what was available in the market. From our inception as a brand offering shirts, MUFTI has evolved into a menswear lifestyle brand across categories, offering a wide range of products, from shirts to t-shirts, trousers and jeans, cargoes, jackets, and more. Our vision is not only to cater to the diverse Indian consumer but also to inspire and create a Global fashion brand from India.

**Our Story post 2018**

In order to adapt to an ever-changing retail landscape, we conducted an internal assessment in 2019 and put the learnings to reinvent the brand philosophy. As part of this brand reinvention, we developed,

1. a new Brand Identity
2. a new merchandise architecture for increasing our share of customer’s wallet by providing designs suited for specific occasions in our customer’s life ranging from relaxed holiday casuals, authentic daily casuals to urban casuals, party wear and also athleisure
3. a new Retail Identity

Since we made the above changes, the brand has gained in salience and the same is reflected in the performance of the Company.

**FY2024 in Perspective**

In FY24, the apparel market in India moderated after an expansion during FY23. Despite significant market challenges, we achieved a 13.9% year-on-year revenue increase to Rs. 5,673 million in FY24 with robust gross margins of 57.5%. In a subdued market, Gross Profit Margins were maintained, which underscores the resilience and appeal of the brand amidst challenging market conditions.

The market for Premium and Mid-Premium branded Apparel continued to experience softened demand, due to consumer behavior influenced by an inflationary environment that curtailed discretionary expenditures while concurrently witnessing a surge in consumer spends towards travel and other essential purchases. Furthermore, the onset of peak winter was delayed across India had a notable impact on winter season sales.

Despite all this, we achieved an EBITDA of Rs. 1,605 million in FY24. Our net profit for the year stood at Rs. 592 million, reflecting a net profit margin of 10.4%.

During FY24, we opened 52 EBO stores on a net basis

**The Way Forward**

At MUFTI, our core strategy revolves around curating a diverse array of creative, expressive, and bold casual wear for the discerning mid-premium to premium consumer. Our customers are at the heart of everything we do and understanding them is key to building our business.

We're embarking on a nationwide EBO expansion, extending our footprint to key high streets and malls. Our goal is to be readily accessible wherever demand for mid-premium to premium men's casual wear exists while maintaining an equally robust MBO presence.

This will enable market share gains and enhance brand visibility and recognition whilst realising economies of scale. As we build our omnichannel presence, we aim to elevate brand appeal via focused marketing initiatives across channels, specifically in the digital medium.

We also target to control costs going forward to enhance our margins as we intend to calibrate the growth of our company through the profitability lens.

**Closing Remarks**

The IPO was a proud moment for all of us at MUFTI. I express my heartfelt gratitude toward all our stakeholders and our employees, that enabled us to march ahead. Your support and inspiration have gone a long way toward assisting us in building value in our business. I would also like to express my gratitude to all of our shareholders for their continuing faith and look forward to their support.

As we move forward, we continue to be encouraged by the progress the brand and business have made, and we are optimistic that the refreshed strategies will take MUFTI from strength to strength in the years to come. We believe the future of Credo Brands Marketing Limited (MUFTI) is bright with boundless opportunities, and I am excited and look forward to see what we can accomplish as a unified force.

**Mr. Kamal Khushlani –**

* 1. In compliance with the provisions of the Companies Act, 2013 and the Rules made thereunder and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company had provided the facility of remote e-voting to all Members.

* 1. The voting rights of the Members as on the cut-off date i.e. August 23, 2024 has been considered for ascertaining Members entitled to cast their votes on resolution(s) set out in the Notice of this AGM.
  2. The remote e-voting was commenced on August 27, 2024 at 09:00 a.m. and was concluded on August 29, 2024 at 05:00 p.m.
  3. The Company is also providing facility for casting votes on resolution(s) through remote e-voting facility during the AGM. Members who are present at the AGM and have not cast their votes through remote e-voting will have an opportunity to cast their votes during the AGM.
  4. Mr. Mukesh Siroya, Practicing Company Secretary, has been appointed as the Scrutiniser to scrutinise the vote cast through remote e-voting process before and during the AGM, in a fair and transparent manner.

**Mr. Kamal Khushlani -**

I will now propose the resolutions as set forth in the Notice.

Thereafter, we will move to the Question & Answer session.

**RESOLUTION NO 1: (as an Ordinary Resolution)**

Receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024, together with the Reports of the Board of Directors and the Auditors thereon.

**RESOLUTION NO. 2: (as an Ordinary Resolution)**

Receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, together with the Report of the Auditors thereon

**RESOLUTION NO. 3: (as an Ordinary Resolution)**

Declare Dividend of `0.50 per share on Equity Shares for the financial year 2023-24.

**Mr. Kamal Khushlani -**

Since, the next item pertains to my re-appointment, I will request Mr. Manoj Nakra to take the Chair.

**Mr. Manoj Nakra** -

Thank you Kamal, I propose

**RESOLUTION NO. 4: (as an Ordinary Resolution)**

Re-appointment of Mr. Kamal Khushlani (DIN 00638929), who retires by rotation and being eligible, offers himself for re-appointment.

**Mr. Manoj Nakra -**

I request Mr. Kamal Khushlani to take the Chair and proceed further.

**Mr. Kamal Khushlani -**

Thank you Manoj, I propose:

**RESOLUTION NO. 5: (as an Ordinary Resolution)**

Appointment of M/s. MSKC & Associates, Chartered Accountants (ICAI Firm Registration No.: 001595S), as Statutory Auditors of the Company in place of the retiring Statutory Auditors of the Company.

**RESOLUTION NO. 6: (as a Special Resolution)**

Ratification of CREDO STOCK OPTION PLAN 2020

**RESOLUTION NO. 7: (as an Ordinary Resolution)**

To fix charges for service of documents on the Shareholders

The text of all the resolutions along with explanatory statement has been provided in the Notice circulated to the Members.

**Mr. Kamal Khushlani** -

An e-voting facility has also been enabled on e-voting page at the website of NSDL. I would now formally request to all those Members who have not cast their votes through the remote e–voting platform, may cast their vote by clicking on the “Vote” tab on e-voting page on the website of NSDL, while attending the proceedings of the AGM.

**Mr. Kamal Khushlani** -

The Company has received requests from few Members to register themselves as speaker at the AGM. The moderator will facilitate this session and invite Speaker shareholders one by one.

In the interest of all, I request the Members to maintain their communication to be concise and restrict the same to the subject matter of the Notice. Further, Members are requested to avoid repeating questions.

I will now request the Moderator to invite speakers one by one.

**NSDL Technical team** -

Moderator calls out speakers’ name one by one as per the list.

The following speakers spoke or asked questions or sought clarifications on subject matter of the Notice and Financial Statements for the year under review:

1 Mr. Dnyaneshwar Kamlakar Bhagwat

2 Mr. Vinay Vishnu Bhide

3 Mr. Manoj Kumar Gupta

4 Mr. Yusuf Yunus Rangwala

5 Mr. Ayush Gupta

6 Mr. Praveen Kumar

7 Mr. Surendra Kumar Jain

8 Mr. Santosh Kumar Saraf HUF

9 Mr. Ramsamujh R Kori

10 Ms. Kanika Jain

11 Mr. Ankur Chanda

12 Mr. K Bharat Raj

The Members expressed their views and sought clarification inter-alia on, competition, awards, other expenses, sales commission, capex, share price, no. of stores, new products launch, financial performance, etc.

**Mr. Kamal Khushlani** -

I thank the speakers for their active participation and valuable suggestions and comments. I replied adequately to the questions / clarifications raised by speaker. Since, most of the points have already been clarified. For a specific question, I requested Members to write to investorrelations@mufti.in to seek further clarification.

**Mr. Kamal Khushlani** -

Members may please note that the e-voting on the NSDL platform will continue to be available for the next 15 minutes. Therefore, Members who have not yet cast their vote, are requested to do so.

I request the Scrutiniser to submit the report not later than 2 (two) working days from the conclusion of this AGM.

Subsequently, the consolidated result of e-voting shall be declared by the Company and intimated to Stock Exchanges and placed on the Company’s website and on the website of NSDL.

On behalf of the Board of Directors and Management of the Company, once again, I convey our sincere thanks to all the Members for attending and participating in this AGM.

Best wishes to everyone for the forthcoming festive season.

**Mr. Kamal Khushlani** -

I now **declare** the AGM as **CONCLUDED.**

The 25th Annual general meeting was concluded at 1:17 p.m.

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