



THE
BOMBAY STORE®



BOMBAY SWADESHI STORES LTD.

113th Annual Report 2018-2019

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BOMBAY SWADESHI STORES LIMITED

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*Members are requested to bring their copy of the Annual Report to the Annual General Meeting

BOMBAY SWADESHI STORES LIMITED

113th ANNUAL REPORT 2018-2019

COMPANY DETAILS



Board Of Directors	Mrs. Madhu Chandak	DIRECTOR
	Mrs. Manjri Chandak	DIRECTOR
	Mrs. Jyoti Kabra	DIRECTOR
	Mr. Santanu Ghosh (w.e.f. 1. 3. 2019)	CHIEF EXECUTIVE OFFICER
Statutory Auditors	M/s. Banshi Jain & Associates Chartered Accountants	
Bankers	HDFC Bank Limited	
Registered Office	Western India House, Sir Pherozeshah Mehta Road, Fort, Mumbai – 400 001. Phone : 022 – 2288 5048 / 49	
Corporate Office	304, 3 rd Floor, Hubtown Solaris, Prof NS Phadke Marg, Opp TeliGali, Vijay Nagar, Andheri East, Mumbai-400 069 Tel: +91 022 6835 1600	
Email:	investor@bombaystore.com	
Website:	www.thebombaystore.com	

NOTICE

NOTICE

NOTICE is hereby given that the One Hundred and Thirteenth Annual General Meeting of the Members of Bombay Swadeshi Stores Limited will be held on Saturday, 28th September, 2019 at 11.00 a.m. at Bombay Swadeshi Stores Limited, Block No. 10, First floor, Western India House Building, Fort, Mumbai - 400001 to transact the following business:

ORDINARY BUSINESS:

1. Adoption Of Accounts:

- a) To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the financial year ended 31st March, 2019 together with the Reports of the Board of Directors and Auditors thereon;
- b) To receive, consider and adopt the Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2019 together with the Reports of the Auditors thereon;

2. Retire by Rotation:

To appoint a Director in place of Mrs. Manjri Aditya Chandak (DIN:03503615) who retires by rotation and being eligible offers herself for re-appointment.

SPECIAL BUSINESS:

3. To approve the power to create charge on the assets of the company to secure borrowings up to Rs. 100,00,00,000/- (Rupees One Hundred Crore Only) pursuant to section 180(1)(a) of the companies Act, 2013

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

“RESOLVED THAT pursuant to Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which shall include any Committee(s) thereof), to create mortgage(s), charge(s), hypothecation and/or floating charge(s) on all or any of the immovable and/or movable assets/properties of the Company, present and future, of every nature and kind whatsoever, and undertaking of the Company in certain events, to secure loans and/or borrowings of the Company including fund based and non-fund based facilities for working capital requirements and bank guarantees, etc. the aggregate of which shall not, at any time, exceed the limit of Rs.

100,00,00,000/- (Rupees One Hundred Crore Only) from financial Institutions/banks and other agencies/parties with interest, additional interest, liquidated damages, commitment charges, premium on prepayment or on redemption, costs, charges already created or to be created in future by the Company in such manner and in such form as may be deemed prudent, desirable and necessary by the Board of Directors.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to take all necessary steps and do all necessary things in this regard in order to comply with all the legal and procedural formalities and further to authorize any of its Committee(s)/Director(s) or any Officer (s) of the Company to do all such acts, deeds or things as may be necessary to give effect to the aforesaid resolution and matter related thereto.”

4. To approve power to borrow funds pursuant to the provisions of section 180(1)(c) of the Companies Act, 2013 not exceeding Rs. 100,00,00,000/- (Rupees One Hundred Crore Only)

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

“RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, consent of the members be and is hereby accorded under the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, (including any amendment, modification, variation or re-enactment thereof) and subject to the Articles of Association of the Company, to borrow, from time to time, such sum or sums of money as they may deem necessary for the purpose of the business of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) and remaining outstanding at any point of time will exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose; Provided that the total amount up to which monies may be borrowed by the Board of Directors of the Company and which shall remain outstanding at any given point of time shall not exceed Rs. 100,00,00,000/- (Rupees One Hundred Crore Only).

RESOLVED FURTHER THAT the Board be and is hereby empowered and authorized to arrange or fix the terms and

conditions of all such borrowings, from time to time, viz. terms as to interest, repayment, security or otherwise as it may deem fit and to sign and execute all such documents, deeds and writings and to do all such acts, deeds, matters and things as may be deemed necessary, expedient and incidental thereto and to delegate all or any of its powers herein conferred to any Committee of Directors and/ or director(s) and/or officer(s) of the Company, to give effect to this resolution."

5. To approve the power to grant loan/guarantee/ security in connection with a loan and/or to make investment up to Rs. 40,00,00,000/- (Rupees Forty Crore only) pursuant to section 186 of the companies Act, 2013

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

"RESOLVED THAT pursuant to the provisions of Section 186 and other applicable provisions if any of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions of the appropriate authorities, departments or bodies as may be necessary, consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) to grant loans to any person or other body corporate or give guarantees or provide security in connection with a loan to any other body corporate or person and/or make investments by way or acquire by way of subscription, purchase or otherwise the securities of any other Body Corporate from time to time, on such terms and conditions as may be decided from time to time the aggregate of which shall not exceed 60% of the paid-up share capital, free reserves and securities premium account or 100% of Free Reserves and Securities Premium Account or Rs. 40,00,00,000/- (Rupees Forty Crore only) whichever is higher."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take all necessary steps and do all necessary things in this regard in order to comply with all legal and procedural formalities and further to authorise any of its Committee(s)/ Director(s) or any Officer(s) of the Company to do all such acts, deeds or things as may be necessary to give effect to the aforesaid resolution and matters related thereto."

6. Approval for Material Related Party Transactions:

To consider, and if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the Members be and is hereby accorded for transaction(s) with Panigha Creations Private Limited, Related Party as defined under Section 2 (76) of the Companies Act, 2013, in respect of below transactions to be entered into on such terms and conditions as may be mutually agreed upon between the Company and Panigha Creations Private Limited, viz.:

Sr. No.	Nature of Transaction	Upto maximum Amount
1.	Sale of goods and services	Rs.100,00,00,000/- (Rupees One Hundred Crore only)
2.	Purchase of goods and services	Rs.100,00,00,000/- (Rupees One Hundred Crore only)
3.	Business support services including sharing of premises, use of Brand name etc.	2% of sales done under the Company's Brand name.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to approve and enter into transactions with Panigha Creations Private Limited within the aforesaid limits.

RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby authorized to:

- negotiate, finalize and execute the Agreement, and such other documents and deeds (including any amendments), as may be required in connection with the proposed transactions;
- execute and deliver any authority letters, applications, documents, submissions, certificates, filings, notification and any and all papers required to be submitted to any governmental authority in connection with the proposed transactions; and
- to do, perform and execute any other acts or deeds which may be necessary for the purpose of giving effect to this resolution."

RESOLVED FURTHER THAT any one of the Directors of the Company be and are hereby severally authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts and things as may be considered necessary and expedient for the purpose of giving effect to this resolution.”

By Order of the Board of Directors of
Bombay Swadeshi Stores Limited

Manjri Chandak
Director
DIN: 03503615

Place: Mumbai
Dated: 23rd August, 2019

Registered Office:
Western India House
Sir Pherozeshah Mehta Road
Fort, Mumbai – 400 001
CIN: U74999MH1905PLC000223;
Tel No.: 022 22885048/49
Email Id: investor@bombaystore.com;
Website: www.thebombaystore.com

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. The instrument appointing the proxy should be deposited with the Company at least 48 hours before the commencement of the Meeting.
4. The Register of Members and Share Transfer Books of the Company will be closed from Saturday, 21st September, 2019 to Saturday, 28th September, 2019. (Both days inclusive)
5. Members who hold shares in dematerialized / electronic form are requested to write their Client ID and DP ID and those holding shares in physical form are requested to write their folio number in the attendance slip and deliver the duly signed attendance slip at the entrance of the meeting hall.
6. Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in order of the names will be entitled to vote.
7. Members are requested to intimate all changes pertaining to change of address, bank account details, MICR code, IFSC code, mandates, power of attorney, nominations, change of name, email IDs, contact numbers etc., to their Depository Participant (DP). Changes intimated to the DPs will be automatically updated in the Company's records. Members holding shares in physical form are requested to intimate such changes to the Company's Registrar & Transfer Agent, Link Intime India Pvt. Ltd., C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083.
8. The Register of Directors' and Key Managerial Personnel and their Shareholding maintained under Section 170 and Register of Contracts or Arrangement 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.

9. Queries proposed to be raised at the AGM may be sent at the Registered Office of the Company at least seven days prior to the date of AGM to enable the management to compile relevant documents to reply the same in the meeting.
10. In accordance with the provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, this Notice and Annual report for the financial year 2018-19 of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email ids are registered with the Company's Registrars and Transfer Agents and/or either of the Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report and Notice of 113th Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent by the permitted mode. Members may note that the Notice of AGM shall be available on the Company's website www.thebombaystore.com.
11. Brief profile of Director proposed to be appointed/re-appointed, nature of her expertise in specific functional areas, names of companies in which she holds directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se, etc. as stipulated under Secretarial Standard on General Meeting ("SS-2"), is annexed to the Notice of AGM.
12. Pursuant to Section 108 of the Companies Act, 2013 and rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its members the facility to exercise their right to vote at the 113th Annual General Meeting by electronic means. Member whose names appear in the Register of Members/List of Beneficial Owners as on Friday, 20th September, 2019 are entitled to vote on the resolutions set forth in the Notice. Members who have acquired shares after the dispatch of the Annual Reports and before the cut-off date may approach the Company for issuance of the user id and password for exercising their right to vote by electronic means. The e-voting will commence on Wednesday, 25th September, 2019 at 9.00 a.m and ends on Friday, 27th September, 2019 at 5.00 p.m. The Company has appointed M/s. Rath & Associates,

Practicing Company Secretaries, as the Scrutinizer for conducting the scrutiny of the votes cast through remote e-voting and physical ballots in a fair and transparent manner. Members desirous of voting through electronic mode may go through the procedure on e-voting detailed hereunder:

Procedure/instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Wednesday, 25th September, 2019 at 9.00 a.m and ends on Friday, 27th September, 2019 at 5.00 p.m During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Friday, 20th September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders / Members
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
 If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number as provided by the RTA/Company.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

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

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

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

(x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

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

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

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

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

(xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

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

(xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please

follow the instructions as prompted by the mobile app while voting on your mobile.

(xviii) Note for Non – Individual Shareholders and Custodians

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com

After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

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

14. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairperson or a person authorized by her in writing, who shall countersign the same and declare the results of the voting forthwith.

The results of e-voting, physical assent/dissent and poll, if any, shall be aggregated and declared on or after the

AGM of the Company by the Chairperson or by any other person duly authorised in this regard. The results declared along with the Scrutinizer's Report shall be placed on the website the Company www.thebombaystore.com and on CDSL's website immediately after the declaration of result by the Chairperson or a person authorized by her.

By Order of the Board of Directors of
Bombay Swadeshi Stores Limited

Manjri Chandak
Director
DIN: 03503615

Place: Mumbai
Dated: 23rd August, 2019

Registered Office:
Western India House
Sir Pherozeshah Mehta Road
Fort, Mumbai – 400 001
CIN: U74999MH1905PLC000223
Tel No.: 022 22885048/49
Email Id: investor@bombaystore.com;
Website: www.thebombaystore.com

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3&4.

Pursuant to the provisions of Section 180(1)(a) and Section 180(1)(c) of the Companies Act, 2013 read with relevant rules made thereunder, the Board of Directors of the Company, in order to Pledge, Mortgage and Hypothecate movable and immovable assets of the Company and to borrow loans (apart from temporary loans obtained from the Company's bankers in ordinary course of business) in excess of the aggregate of its paid up capital and free reserve requires approval from its Shareholders by way of Special Resolution. Thus, in order to facilitate the Board with the power to borrow funds from time to time to the tune of Rs.100,00,00,000/- (Rupees One Hundred Crore Only) by way of availing loans (Term loans/ Working Capital facilities/External Commercial Borrowings and securities/Debentures/Vehicle Loan, etc.), as may be required from time to time, and also to facilitate the Board to mortgage, pledge, hypothecate or charge, in addition to the existing mortgages, hypothecations and charges created/to be created by the Company, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the moveable and/or immovable properties/assets of the Company, both present and future, and/or the whole or any part of the undertaking or undertakings of the Company, for securing the borrowings of the Company availed by way of loan as aforesaid, the aggregate value of which shall not exceed Rs. 100,00,00,000/- (Rupees One Hundred Crore Only) from Financial Institutions/ Banks and other agencies/Parties, issued/to be issued by the Company from time to time.

The proposal outlined above is in the interest of the Company and the Board recommends there solution set out in the accompanying Notice for your approval.

Accordingly, the approval of the members by way of Special Resolution is sought pursuant to the provisions of Section 180(1)(a) and Section 180(1)(c) of the Companies Act, 2013 respectively. Your Directors recommend the resolutions as set out at Item Nos. 3 & 4 in this Notice for your approval.

None of the Promoters, Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution No. 3&4 as set out in the Notice.

Item No.5:

The provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended to date, provides that no company is permitted to, directly or indirectly, (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person;

and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more. Further, the said Section provides that where the giving of any loan or guarantee or providing any security or the acquisition as provided under Section 186(2) of the Act, exceeds the limits specified therein, prior approval of Members by means of a Special Resolution is required to be passed at a general meeting.

The Company may grant loans / make investments and issue guarantees / securities to persons or bodies corporate, from time to time not exceeding Rs. 40,00,00,000/- (Rupees Forty Crore only).

The Directors recommend the Special Resolution as set out at Item No. 5 of the accompanying Notice, for Members' approval.

None of the Promoters, Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution No. 5 as set out in the Notice.

Item No.6:

Pursuant to Section 188 of the Companies Act, 2013 and the applicable rules framed thereunder provides that any Related Party Transaction will require prior approval of shareholders through ordinary resolution, if the value of transaction(s)/ contract(s)/agreement(s) entered exceeds the limits specified in the Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014.

Panigha Creations Private Limited is a 'Related Party' within the meaning of Section 2(76) of the Companies Act, 2013. The Company proposes to enter into the transactions such as Sale and Purchase of goods and services, Use of Brand Name with Panigha Creations Private Limited. The said transactions with related party are material in nature. Therefore, in terms of the provisions of Section 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 the material Contracts/ Arrangements/ Transactions with Panigha Creations Private Limited require the approval of the Members of the Company by way of an ordinary resolution.

The particulars of the Material Related Party Contracts/ Arrangements/ Transactions are as under:

Name of the related party: Panigha Creations Private Limited

Name of the director or Key managerial personnel who is related and relationship:

Mrs. Madhu Chandak - Director in a Panigha Creations Private Limited

Mrs.Jyoti Kabra - Director in a Panigha Creations Private Limited

Mrs.Manjri Chandak is sister of Mrs.Madhu Chandak and Mrs.Jyoti Kabra.

Nature, material terms, monetary value and particulars of the Contract or Arrangement/Transactions:

Sr. No.	Nature of Transaction	Upto maximum Amount
1.	Sale of goods and services	Rs. 100,00,00,000/- (Rupees One Hundred Crore only)
2.	Purchase of goods and services	Rs. 100,00,00,000/- (Rupees One Hundred Crore only)
3.	Business support services including sharing of premises, use of Brand Name.	2% of sales done under the Company's Brand name.

Mrs. Madhu Chandak, Mrs. Jyoti Kabra and Mrs. Manjri Chandak and their relative being related party are concerned and interested in the resolution. Other than this none of the Key Managerial Personnel of the Company and his relatives are concerned or interested, financially or otherwise, in the Resolution No. 6 as set out in the Notice.

The Board recommends the ordinary resolution as set out in Item. 6 of the Notice for the approval by the Members.

By Order of the Board of Directors of
Bombay Swadeshi Stores Limited

Manjri Chandak
Director
DIN: 03503615

Place: Mumbai
Dated: 23rd August, 2019

Registered Office:
Western India House
Sir Pherozeshah Mehta Road
Fort, Mumbai – 400 001
CIN: U74999MH1905PLC000223
Tel No.: 022 22885048/49
Email Id: investor@bombaystore.com;
Website: www.thebombaystore.com

BRIEF PROFILE OF DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING IN ACCORDANCE WITH THE SECRETARIAL STANDARDS (SS - 2):

Name of the Director	Mrs. Manjri Chandak
Category	Non-Executive Director
Appointment/Re-appointment	Re-appointment
DIN	03503615
Age	34 years
Date of Appointment on the Board	15/06/2015
Education Qualifications	MBA in Finance and Investment from University of Nottingham, UK and a graduation degree in Commerce from H.R. College of Commerce and Economics from University of Mumbai
Nature of Expertise & Experience	Mrs. Manjri Chandak did her Graduation from HR College of Commerce and Economics, Mumbai. Post her graduation she started her career as a Research Associate at ASK Investment Managers Private Limited, where she was largely working for equity market research. This rich experience helped her in pursuing Masters in Finance and Investments from University of Nottingham, UK, specializing in Retail Marketing. She has vast experience in the field of retail spanning across 10 years and in areas of operations, buying and merchandising. She has visited several fairs and made sourcing her key strength.
Shareholding in the Company	29.28%
Terms and Conditions of Appointment/re- appointment	Non-executive Director, liable to retire by rotation
Details of Remuneration sought to be paid	Nil
Remuneration last drawn	Nil
Number of Board Meetings attended during the year	7
Relationship with other Director, Manager and other Key Managerial Personnel of the Company	Mrs. Manjri Chandak is sister of Mrs. Madhu Chandak & Mrs. Jyoti Kabara – Directors of the Company.
Name of the other Companies in which also holds Directorship	<ul style="list-style-type: none"> · Bombay Store Retail Company Limited · Avenue Super marts Limited · Avenue E-Commerce Limited · Align Retail Trades Private Limited · Reflect Wholesale & Retail Private Limited
Memberships/Chairmanships of Committees held on other Board.	<p>Avenue Supermarts Limited</p> <ul style="list-style-type: none"> · Stakeholder Relationship Committee- Chairperson · Corporate Social Responsibility Committee –Member · Nomination and Remuneration Committee –Member · ESOP Committee - Member <p>Avenue E-Commerce Limited</p> <ul style="list-style-type: none"> · ESOP Committee – Member · Finance and Operations Committee - Member

By Order of the Board of Directors of
Bombay Swadeshi Stores Limited

Place: Mumbai
Dated: 23rd August, 2019

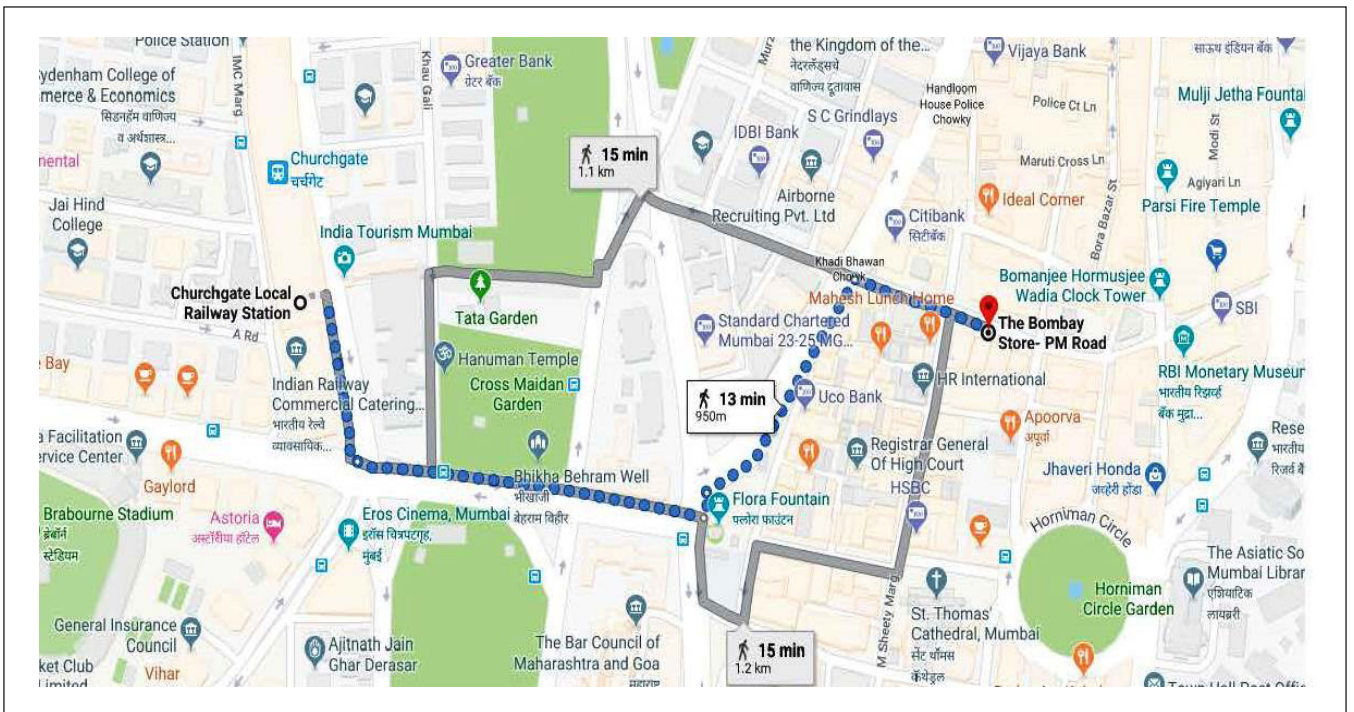
Manjri Chandak
Director
DIN: 03503615

Registered Office:
Western India House, Sir Pheroze shah Mehta Road,
Fort, Mumbai – 400 001
CIN: U74999MH1905PLC000223
Tel No.: 022 40496500
Email Id: investor@bombaystore.com
Website: www.thebombaystore.com

ROUTE MAP TO AGM

Venue:

Bombay Swadeshi Stores Limited, Block No. 10, First Floor, Western India House building, Fort, Mumbai - 400001



DIRECTORS' REPORT

To,
The Members

BOMBAY SWADESHI STORES LIMITED (BSSL)

Your Directors have pleasure presenting 113th Annual Report of your Company together with the Audited Financial Statements for the Financial year ended 31st March, 2019. ('the year under review', 'the year', or 'FY19')

1. FINANCIAL STATEMENT & RESULTS

a. Financial results (standalone)

The Company's performance during the year ended 31st March, 2019 as compared to the previous financial year, is summarized below:

(Rs. in Lakhs)

Particulars	FY 2018-19	FY 2017-18
Income from Operation	3977.50	3039.23
Other Income	16.18	30.99
Total Revenue	3993.68	3070.22
Less: Expenses	3518.89	2677.84
Profit before tax	474.79	392.38
Less: Tax Expense	161.03	15.87
Profit/ (Loss) after Tax	313.76	376.51
Less: Prior year's tax adjustments	(8.72)	34.87
Profit/(loss) for the year	322.48	341.64

b. Operations

The year under review was encouraging for the Company. The Company had taken several steps to streamline operations at the store. The Company has initiated regular training to its sales staff for better customer experience and service at the store. It has also enhanced the store's visual merchandising affects to give pleasant customer experience while browsing in its stores.

The Company added total 8 stores in this financial year which are in Bangalore, Hyderabad, Vadodara and Mumbai, these stores includes 4 mall stores and 3 Airport stores and 1 standalone store. The Company had to shut down 1 Hotel store at Lebua Resorts in Jaipur due to operational issues. Total number of stores has grown from 13 stores in 2018 to 20 stores at the end of 31st March 2019.

On standalone basis, In FY19 the Income from operations has increased to Rs. 3,977.50 Lakhs as against the previous year's income Rs. 3,039.23 Lakhs. The Net profit after tax (PAT) for FY19 stood at Rs. 313.76 Lakhs as against the previous year's PAT of Rs. 376.51 Lakhs.

c. Dividend

With a view to conserve resources, the Board of Directors does not recommend any dividend for the Financial Year ended 31st March, 2019.

d. Transfer To Reserves

During the year under review the Company has not transferred any amount to reserves.

e. Change in the nature of business, if any

There was no change in the nature of business of the Company during the year under review.

f. Material changes and commitments if any affecting the financial position of the company, occurred after the balance sheet date and as at the date of signing this report:

No material changes and commitments affecting the financial position of the Company occurred after the Balance Sheet date and as at the date of signing this report.

g. Report on Performance of Subsidiaries, Associates and Joint Venture Companies:

The performance and financial position of the subsidiary and associate companies for the year ended 31st March, 2019 is attached and marked as "Annexure I" and forms part of this report.

h. Particulars of Contract or Arrangement with Related Parties

All contracts/arrangements/transactions entered into by the Company during the Financial Year with related parties were in the ordinary course of business and on an arm's length basis.

Pursuant to section 134(3) (h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014, there are no transactions required to be reported under section 188(1) of the Companies Act, 2013. Accordingly, the disclosure of Related Party Transactions as required under section 134(3)(h) of the Companies Act, 2013 in Form AOC 2 is not applicable.

i. Revision of Financial Statement

There was no revision in the financial statements of previous years during the year under review.

j. Particulars of Loans, Guarantees, Investment and Securities

Details of Loans, Guarantees and Investment covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the financial statements of the Company.

k. Deposits

During the year under review, the Company has neither accepted any fresh deposit nor has renewed any deposits.

Details of deposits covered under Chapter V of the Act are as under:

Amount accepted as deposit during the year	Nil
Amount of deposit and interest thereon remained unpaid or unclaimed as at the end of the year	Rs. 3,77,319 (unclaimed)
Whether there has been any default in repayment of deposit or payment or interest thereon during the year;	No
If yes number of cases and the total amount involved:	NA
- At the beginning of the year	
- Maximum during the year	NA
- At the end of the year	NA
Details of deposit which are not in compliance with the requirement of Chapter V of the Act	NA

Note: It includes accrued Interest

As on the date of this Report, there has been no default in repayment of any matured deposit.

l. Changes in the Share Capital

During the year under review, there was no change in the Share Capital of the Company.

m. Maintenance of Cost Audit Records

The Company is not required to maintain of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

2. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

a. Board of Directors & Key Managerial Personnel

There was no change in composition of the Board of Directors of the Company during the financial year under review.

Mr. Santanu Ghosh was appointed as Chief Executive Officer (CEO) of the Company with effect from 1st March, 2019.

b. Director retiring by rotation

As per the provisions of Section 152 of the Companies Act, 2013, Mrs. Manjri Aditya Chandak (DIN:03503615) retires by rotation and being eligible offers herself for re-appointment at the ensuing Annual General Meeting. Necessary resolution for her re-appointment is included in the Notice of AGM for seeking the approval of Members. The Directors recommend her re-appointment for your approval.

The brief details of the director proposed to be re-appointed are given separately as an Annexure to the Notice of the Annual General Meeting.

3. DISCLOSURE RELATED TO BOARD, COMMITTEES AND POLICIES:

a. Board Meetings

The Board of Directors met Seven times during the financial year ended 31st March, 2019 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

Sr. No.	Date of the Meeting (dd-mm-yyyy)
1	11-04-2018
2	03-05-2018
3	23-08-2018
4	26-10-2018
5	27-11-2018
6	04-01-2019
7	01-03-2019

Attendance of each Director at the Board Meetings and the last Annual General Meeting

Name of Directors	No. of Board Meetings		Attendance at last AGM held on 28 th September, 2018
	Held*	Attended	
Mrs. Manjri Chandak	7	7	Yes
Mrs. Madhu Chandak	7	7	Yes
Mrs. Jyoti Kabra	7	7	Yes

b. Stakeholders Relationship Committee

The Stakeholders Relationship Committee of the Company was constituted pursuant to the provisions of Section 178 of the Companies Act, 2013. The scope and composition of the Stakeholders Relationship Committee is in conformity with the provisions of the said section.

The Stakeholders Relationship Committee comprises of:

Composition	Category
Mrs. Manjri Chandak	Chairperson
Mrs. Madhu Chandak	Member

The members of Stakeholder Relationship Committee met three times during the financial year under review. The details of the meeting held and attended during the financial year ended 31st March, 2019 are given herein below:

Sr. No	Date of the Meeting (dd/mm/yyyy)
	20-07-2018
	20-08-2018
	04-03-2019

Name of the Member(s)	Meeting(s) details	
	Held	Attended
Mrs. Manjri Chandak	3	3
Mrs. Madhu Chandak	3	3

c. Internal Control Systems

There are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

d. Risk Management:

A detailed review of business risks and the Company's plans to mitigate them is assessed and considered by the Board of Directors of the Company. The Board has adopted the Risk Management Policy and Guidelines to mitigate foreseeable risks, avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and define a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Risk evaluation is an ongoing and continuous process within the Company and it is regularly updated to the Board of the Company.

e. Directors' Responsibility Statement

As required under Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

- in the preparation of the annual accounts for the year ended 31st March 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- had 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 your Company at the end of the financial year and of the profit of the Company for that period;

- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- the annual accounts of the Company have been prepared on a going concern basis;
- proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

4. AUDITORS & REPORT

Auditors:

M/s. Banshi Jain & Associates, Chartered Accountants (Firm Registration No. 100990W) were appointed as Statutory Auditors of your Company at the 111th Annual General Meeting for a term of five consecutive years. The observations in Auditors report read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

Reporting of fraud by Auditor:

During the year under review, the Statutory Auditors have not reported any instances of fraud committed in the Company by its officers or employees to the Audit Committee under section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this report.

5. OTHER DISCLOSURES

Other disclosures as per provisions of Section 134 of the Act read with Companies (Account) Rules, 2014 are furnished as under:

a. Corporate Social Responsibility

Since the Company's net worth, turnover and net profits are below the minimum prescribed limits, the provisions of clause (o) of Section 134(3) of the Companies Act, 2013 read together with Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 do not apply and hence disclosures on Corporate Social Responsibility are not required to be given.

b. Extract of the Annual Return

Pursuant to the provisions of Section 134 (3) (a) of the Companies Act, 2013, extract of the Annual Return for the financial year ended on 31st March,

2019 made under the provisions of Section 92 (3) of the Act is attached as “**Annexure -II**” which forms part of this report.

c. **Conservation of Energy, Technology Absorption and Foreign Exchange Earning and outgo.**

Considering the nature of business of the Company, furnishing information with regard to conservation of energy and technology absorption as required under Section 134 of the Companies Act, 2013 and the rules made thereunder is not applicable to the Company during the year under review.

The total foreign exchange expended during the year was Rs. NIL (previous year Nil) and earned during the year was Rs.1006.79 Lakhs (previous year Rs. 723.75 Lakhs).

d. **Secretarial Standard Compliance**

During the year under review, the Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government pursuant to Section 118 of the Companies Act, 2013.

6. GENERAL

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

1. None of the Directors received payment of remuneration or commission from the Holding/ Subsidiary Company during the financial year 2018-19.
2. Issue of equity shares with differential rights under Employees Stock Option Scheme as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014.
3. Issued Equity Shares with differential rights as to dividend, voting or otherwise as per section 43 of the Companies Act, 2013
4. Issue of shares (including sweat equity shares) to employees of the Company under any scheme pursuant to section 54 of the Companies Act, 2013
5. There were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Companies Act, 2013 read with Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 as the Company did not create any such scheme during the year; and

6. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

7. PROTECTION OF WOMEN AT WORKPLACE:

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No case pertaining to sexual harassment has been reported to Company during the Financial Year 2018-19.

8. APPRECIATION

Your Directors wish to express their appreciation for the assistance and co-operation received from the members, banks, Government authorities, vendors and the customers during the year under review.

Your Directors also express their appreciation to all its employees for their hard work, dedicated services and collective contribution.

**For and on behalf of the Board of Directors of
Bombay Swadeshi Stores Limited**

Madhu Chandak
Director
DIN: 07029901

Manjri Chandak
Director
DIN: 03503615

**Date: 23rd August, 2019
Place: Mumbai**

Registered Office:
Western India House
Sir Pherozeshah Mehta Road
Fort, Mumbai – 400 001
CIN: U74999MH1905PLC000223
Tel No.: 022 22885048/49
Email Id: investor@bombaystore.com
Website: www.thebombaystore.com

ANNEXURE – I
PERFORMANCE OF SUBSIDIARIES & ASSOCIATE COMPANIES
FORM AOC- 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries/Associate or joint Venture Companies

Part “A”: Subsidiaries

(Rs.in lakhs)

1	Serial No.	(i)
2	Name of the subsidiary	Bombay Store Retail Company Limited
3	The date since when subsidiary was acquired	25/01/2008
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as of the Holding Company
5	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	N.A
6	Share capital	300.00
7	Reserves and Surplus	(1319.92)
8	Total Assets	53.21
9	Total Liabilities excluding Share Capital, Reserves & Surplus	1073.14
10	Investments	0.82
11	Turnover	-
12	Profit/(loss) before taxation	(12.67)
13	Provision for taxation	-
14	Profit/(loss) after taxation	(12.67)
15	Proposed Dividend	NIL
16	Extent of shareholding (in percentage)	100%

1. Name of the subsidiaries which are yet to commence operations – **Not Applicable**

2. Name of the subsidiaries which have been liquidated or sold during the year– **Not Applicable**

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to the Associate Companies & Joint Ventures

(Rs.in lakhs)

Name of Associates	Out of India Retail Private Limited
1. Latest audited Balance Sheet Date	31/03/2019
2. Date on which the associate was associated or acquired	29/03/2014
3. Shares of Associate held by the Company on the year end	
Number	10,000
Amount of Investment in Associates	1.00
Extend of Holding % (Bombay Swadeshi Stores Ltd holds 26% 'Class A Shares' of Out of India Retail Private Ltd. Its share holding to total paid up capital is 8.42%)	26.00%
4. Description of how there is significant influence	Voting right in excess of 20%

Name of Associates	Out of India Retail Private Limited
5. Reason why the associate is not consolidated	*Bombay Swadeshi Stores Limited (BSSL) has made its investment in Out of India Retail Pvt Ltd. BSSL holds 26.42% of the voting power and 8.28% of the ownership interest in Out of India Retail Pvt Ltd thereby making it a Associate Company. The balance 73.58% of voting power and 91.72% of ownership is held by Tourvest Holding (PTV) Limited, South Africa. As per the provisions of AS 23 Accounting for Associates in Consolidated Financial Statements it mandatory to consolidate the financials of the Associate Company as per the Equity Method of Consolidation. The routine affairs of Out of India Pvt Ltd is managed and handled by Tourvest Holding (PTV) Limited and BSSL has no role in the operations of Out of India Retail Pvt Ltd. There has been a dispute between the BSSL and Tourvest Holding (PTV) Limited upon which subsequently BSSL has entered into a Settlement Agreement dated 11th July 2019, wherein BSSL has agreed to sell its entire holding in Out of India Retail Pvt Ltd to Tourvest Holding (PTV) Limited. In view of the dispute with Tourvest Holding (PTV) Limited, South Africa BSSL do not have access to the financials of Out of India Retail Pvt Ltd and due to which we are not able consolidate the financials of Out of India Retail Pvt Ltd in our Consolidated Financials.
6. Net worth attributable to shareholding as per latest audited Balance Sheet	NA
7. Profit / Loss for the year	NA
1. Considered in Consolidation	NA
2. Not Considered in Consolidation	NA

Names of joint ventures which are yet to commence operations - **NIL**

Names of joint ventures which have been liquidated or sold during the year – **NIL**

**For and on behalf of the Board of Directors of
Bombay Swadeshi Stores Limited**

Madhu Chandak
Director
DIN: 07029901

Manjri Chandak
Director
DIN: 03503615

Date: 23rd August, 2019

Place: Mumbai

Registered Office:

Western India House

Sir Pherozeshah Mehta Road

Fort, Mumbai – 400 001

CIN: U74999MH1905PLC000223

Tel No.: 022 22885048/49

Email Id: investor@bombaystore.com

Website: www.thebombaystore.com

ANNEXURE - II
FORM NO. MGT - 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2019

[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company

(Management & Administration] Rules, 2014

I. REGISTRATION & OTHER DETAILS:

CIN	U74999MH1905PLC000223
Registration Date	11-12-1905
Name of the Company	Bombay Swadeshi Stores Limited
Category/Sub-category of the Company	Company Limited by Shares Non-government Company
Address of the Registered Office & contact details	Western India House, Sir P.M. Road Fort, Mumbai 400 001 Tel: (022) 22885048/49; E-mail: investor@bombaystore.com
Whether listed company	No
Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt Limited C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai – 400083, Maharashtra, India Tel No.: +91-22-4918 6270; Fax No.: +91-22-4918 6060 Email: rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sr. No.	Name and Description of main products/services	NIC Code of the product/ service	% to total turnover of the company
1	Home Décor, Home Furnishings and Gift Items (Retail Trade)	47(retail trade except of motor vehicles and motorcycles)	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN/GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable Section
1	Bombay Store Retail Company Limited	U51909MH2007PLC168960	Subsidiary	100.00	2(87) of Companies Act, 2013
2	Out of India Retail Private Limited	U52605MH2013PTC244017	Associate	26.00	2(6) of Companies Act, 2013

Bombay Swadeshi Stores Ltd holds 26% 'Class A Shares' of Out of India Retail Private Ltd. Its shareholding to total paid up capital is 8.42%

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

A. **Category-wise Share Holding**

Category of shareholders		No. of shares held at the beginning of the year [As on 1st April, 2018]				No. of shares held at the end of the year [As on 31 st March, 2019]				% (change during the year)
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A.	Promoters									
1.	Indian									
a	Individuals/ HUF	4602655	-	4602655	93.17	4602595	-	4602595	93.17	(0.00)
b	Central Govt.	-	-	-	-	-	-	-	-	-
c	State Govts.	-	-	-	-	-	-	-	-	-
d	Bodies Corporate	-	-	-	-	-	-	-	-	-
e	Banks/FIs	-	-	-	-	-	-	-	-	-
f	Any other (specify)	-	-	-	-	-	-	-	-	-
	Sub-Total A(1)	4602655	-	4602655	93.17	4602595	-	4602595	93.17	(0.00)
2.	Foreign									
a	Non-resident individuals	-	-	-	-	-	-	-	-	-
b	Other individuals	-	-	-	-	-	-	-	-	-
c	Bodies Corporate	-	-	-	-	-	-	-	-	-
d	Banks/FIs	-	-	-	-	-	-	-	-	-
e	Any other (specify)	-	-	-	-	-	-	-	-	-
	Sub-Total A(2)	-	-	-	-	-	-	-	-	-
	Total shareholding of promoters A = (A1+A2)	4602655	-	4602655	93.17	4602595	-	4602595	93.17	(0.00)
B.	Public shareholding									
1.	Institutions	-	-	-	-	-	-	-	-	-
a)	Mutual Funds	-	-	-	-	-	-	-	-	-
b)	Banks/FI	460	-	460	0.00	460	-	460	0.00	-
c)	Central Govt.	-	-	-	-	6	-	6	-	-
d)	State Govts.	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
sf)	Insurance Companies	-	-	-	-	-	-	-	-	-
g)	FIs	-	-	-	-	-	-	-	-	-
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)	Others	-	-	-	-	-	-	-	-	-
	Sub-Total B(1)	460	-	460	0.00	466	-	466	0.00	-
2.	Non-Institutions									
a)	Bodies Corporate									
(i)	Indian	16846	1666	18512	0.37	16846	1666	18512	0.37	0.00
(ii)	Overseas	-	-	-	-	-	-	-	-	-
b)	Individuals									
(i)	Individual share-holders holding nominal share capital upto Rs.1 lakh	162712	147681	310393	6.28	166796	143586	310382	6.28	0.00

Category of shareholders	No. of shares held at the beginning of the year [As on 1st April, 2018]				No. of shares held at the end of the year [As on 31 st March, 2019]				% (change during the year)
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lac	-	-	-	-	-	-	-	-	
c) Others (specify)									
Non-resident Indians (Non Repat)	263	-	263	0.00	213	-	213	0.00	(0.00)
Non Resident Indians (Repat)	1022	-	1022	0.02	1022	-	1022	0.02	-
Overseas Corporate Bodies									
Foreign Nationals	6	-	6	0.00	-	-	-	-	(0.00)
NBFC registered with RBI	500	-	500	0.01	0	-	0	-	(0.01)
Trusts	20	-	20	0.00	20	-	20	0.00	-
Foreign Bodies - DR	-	-	-	-	-	-	-	-	-
Clearing Member	279	-	279	0.00	-	-	-	-	(0.00)
HUF	5890	-	5890	0.11	6790	-	6790	0.11	0.01
Sub-Total (B)(2)	187538	149347	336885	6.82	191687	145252	336939	6.82	0.00
Total public shareholding B= (B1 + B2)	187998	149347	337345	6.83	192153	145252	337405	6.83	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A + B + C)	4790653	149347	4940000	100	4794748	145252	4940000	100	-

B. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 1 st April, 2018]			Shareholding at the end of the year [As on 31 st March, 2019]			% change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged/ encum-bered to total	No. of shares	% of total shares of the company	% of shares pledged/ encum-bered to total	
1	Madhu Abhay Chandak	1660818	33.62	-	1660818	33.62	-	-
2	Jyoti Varun Kabra	1495186	30.27	-	1495186	30.27	-	-
3	Manjri Aditya Chandak	1446651	29.28	-	1446591	29.28	-	(0.00)
	Total	4602655	93.17		4602595	93.17	-	(0.00)

C. Change in Promoter and Promoter Group Shareholding:

Sr. No.	Particulars	Shareholding at the beginning of the year (01.04.2018)		Date (dd/mm/yyyy)	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Madhu Abhay Chandak	1660818	33.62	NA	NA	NA	1660818	33.62
	At the end of the Year						1660818	33.62
2	Jyoti Varun Kabra	1495186	30.27	NA	NA	NA	1495186	30.27
	At the end of the Year						1495186	30.27
3	Manjri Aditya Chandak	1446651	29.28	01/06/2018	(60)	Sell	1446651	29.28
	At the end of the Year						1446591	29.28

D. Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs/ADRs)

Sr. No.	Particulars	Shareholding at the beginning of the year (01.04.2018)		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Rajiv R Thakkar	22500	0.45				22500	0.45
				25/05/2018	(1500)	Sell	21000	0.42
	At the end of the year	-	-				21000	0.42
2	Manibhai Chaturbhuj Bhupendrasingh Mulji Bhupendrasingh Mulji	14133	0.28				14133	0.28
				NA	NA	NA	-	-
	At the end of the year	-	-				14133	0.28
3	Luxmi Kant Gupta Usha Gupta	13307	0.26				13307	0.26
				NA	NA	NA	-	-
	At the end of the year	-	-				13307	0.26
4	Gautam Maneklal Mehta Rajann Gautam Mehta	10000	0.20				10000	0.20
				NA	NA	NA	-	-
	At the end of the year	-	-				10000	0.20
5	Sudarshanram Narayan Rao	8333	0.16				8333	0.16
				NA	NA	NA	-	-
	At the end of the year	-	-				8333	0.16
6	Pradip Chinubhai Patel Bina Pradip Patel Saloni Pradip Patel	7666	0.15				7666	0.15
				NA	NA	NA	-	-
	At the end of the year	-	-				7666	0.15

Sr. No.	Particulars	Shareholding at the beginning of the year (01.04.2018)		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
7	MSPL Limited	4573	0.09				4573	0.09
				NA	NA	NA	-	-
	At the end of the year	-	-				4573	0.09
8	Saraswati Mangesh Rege Vasanti Vasant Naik	3680	0.07				3680	0.07
				NA	NA	NA	-	-
	At the end of the year	-	-				3680	0.07
9	Shree Sheth Securities And Services Private Ltd	3410	0.07				3410	0.07
				NA	NA	NA	-	-
	At the end of the year	-	-				3410	0.07
10	Savita Ashok Koli	2900	0.06				2900	0.06
				NA	NA	NA	0	0
	At the end of the year	-	-				2900	0.06

Note: The above information is based on the weekly beneficiary position received from the Depositories.

E. Shareholding of Directors and Key Managerial Personnel

Sr. No.	Particulars	Shareholding at the beginning of the year (01.04.2018)		Date (dd/mm/yyyy)	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Madhu Abhay Chandak	1660818	33.62				1660818	33.62
		-	-	NA	NA	NA		
	At the end of the Year						1660818	33.62
2	Jyoti Varun Kabra	1495186	30.27				1495186	30.27
		-	-	NA	NA	NA		
	At the end of the Year						1495186	30.27
3	Manjiri Aditya Chandak	1446651	29.28				1446651	29.28
		-	-	01/06/2018	(60)	Sell	1446591	29.28
	At the end of the Year							29.28

VI. INDEBTEDNESS: (Indebtedness of the Company including interest outstanding/accrued but not due for payment)

	Secured Loans excluding deposits	Unsecured loans	Deposits	Total indebtedness
Indebtedness at the beginning of the year				
(i) Principal amount	Nil	Nil	2,44,000	2,44,000
(ii) Interest due but not paid			1,65,719	1,65,719
(iii) Interest accrued but not due				
Total (i) + (ii) + (iii)	Nil	Nil	409,719	409,719
Change in indebtedness during the financial year				
· Addition	Nil	3,70,00,000	-	3,70,00,000
· Reduction	Nil	-	(32,400)	(32,400)
Net change		3,70,00,000	(32,400)	3,69,67,600
Indebtedness at the end of the year	Nil			
(i) Principal amount		370,00,000	2,14,000	3,72,14,000
(ii) Interest due but not paid		-	1,63,319	1,63,319
(iii) Interest accrued but not due		-	-	-
Total	Nil	370,00,000	3,77,319	3,73,77,319

VIII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

The Company does not have any Managing Director, Whole-time director and / or Manager on its board.

B. Remuneration to other Directors:

During the year under review, the Company has not paid any remuneration to other Directors.

C. Remuneration to key managerial personnel other than MD/manager/WTD

(Rs. in Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel	
		Mr. Santanu Ghosh (CEO) (w.e.f. 01.03.2019)	Total
	Gross salary	17.79	17.79
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(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 (Employer Contribution to Provident Fund)	0.36	0.36
	Total	18.15	18.15

IX. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act, 2013	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

**For and on behalf of the Board of Directors of
Bombay Swadeshi Stores Limited**

Madhu Chandak
Director
DIN: 07029901

Manjri Chandak
Director
DIN: 03503615

Date: 23rd August, 2019
Place: Mumbai

Registered Office:

Western India House
Sir Pherozeshah Mehta Road
Fort, Mumbai – 400 001
CIN: U74999MH1905PLC000223
Tel No.: 022 22885048/49
Email Id: investor@bombaystore.com;
Website: www.thebombaystore.com

SINCE 1906

A light gray silhouette of an elephant facing left, with its trunk curled slightly. It is positioned behind the main text.

STANDALONE FINANCIAL STATEMENTS

SINCE 1906

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BOMBAY SWADESHI STORES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of BOMBAY SWADESHI STORES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards as prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and its cash flows for the year ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about

whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 with reference to these standalone financial statements of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;

- g) In our opinion and to the best of our information and according to the explanation given to us, the company has not paid or provided managerial remuneration for the year ended March 31, 2019.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the pending litigations which would impact its financial position in Note No 25;
 - ii. The Company did not have any long – term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

For **Banshi Jain & Associates**
Chartered Accountants
FRN – 0100990W

Place: MUMBAI

Date: 23/08/2019

R.B. Golecha
Partner
Membership No. **035348**
UDIN : 19035348AAAABJ9822

Annexure 'A' to The Independent Auditor's Report

(Referred to in paragraph 2 under the heading 'Report on Other Legal and Regulatory Requirements' of our report to the members of Bombay Swadeshi Stores Limited)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i. In respect of the Company's fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The company has a regular program of physical verification of its fixed assets under which the fixed assets are verified in a phased manner, which, in our opinion is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deed of immovable property is held in the name of the company.
- ii. In respect of its inventories:

The physical verification of the merchandises (Finished Goods) have been conducted at reasonable intervals by the management during the year. On account of the nature of the trade being retail business dealing in hundreds of small items, in our opinion the frequency of the verification is reasonable. The discrepancies noticed on physical verification of the inventory as compared to book records were not material
- iii. According to the information and explanation given to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, clauses 3 (iii) (a) and 3(iii) (b) of the Order are not applicable.
- iv. In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans to directors including entities in which they are interested

and in respect of loans and advances given, investments made, guarantees and securities given have been complied by the company.

- v. According to information and explanation given to us, the company has not accepted any deposits during the year. There are no unclaimed deposits to which the provision of Section 73 and 76 of the Act or any other relevant provisions of the Companies would apply.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. According to the information and explanation given to us in respect of statutory dues:
- The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it.
 - According to the information and explanation given to us, there are no dues of sales tax, goods and, duty of customs, duty of excise, value added tax were outstanding at the year end, for a period of more than six months from the date they became payable.
 - According to the information and explanations given to us, the particulars of dues of income tax, service tax as at 31st March, 2019 which have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amounts involved Rs.	Period to which the amount relates	Forum where dispute is pending
Central Excise and Service Tax	Service Tax	1,45,897	2008-09, 2010-11	Supreme Court
Income Tax Act	Income tax	17,41,780	2014-15	CIT (A)
Income Tax Act	Income tax	12,45,390	2015-16	CIT (A)

- viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.

- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- x. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud done by the company or any fraud done on the company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, managerial remuneration has not been paid or provided during the year.
- xii. In our opinion, the Company is not a Nidhi Company. Accordingly, provision of clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion all transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable, and the requisite details have been disclosed in the notes to financial statements, as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures. Accordingly reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion, the Company has not entered into any non – cash transactions with directors or persons covered with them under section 192 of the Act.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For BANSHI JAIN & ASSOCIATES
Chartered Accountants FRN : 0100990W

R.B. Golecha
Partner

Place: MUMBAI
Date: 23/08/2019

Membership No. **035348**
UDIN : 19035348AAAABJ9822

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")

In conjunction with our audit of the standalone financial statements of Bombay Swadeshi Stores Limited (the "Company") as at and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting of the Company as of that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of Company's 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 with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating

effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected 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.

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 March 31, 2019, 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 ICAI.

For BANSHI JAIN & ASSOCIATES

Chartered Accountants FRN : 0100990W

R.B. Golecha

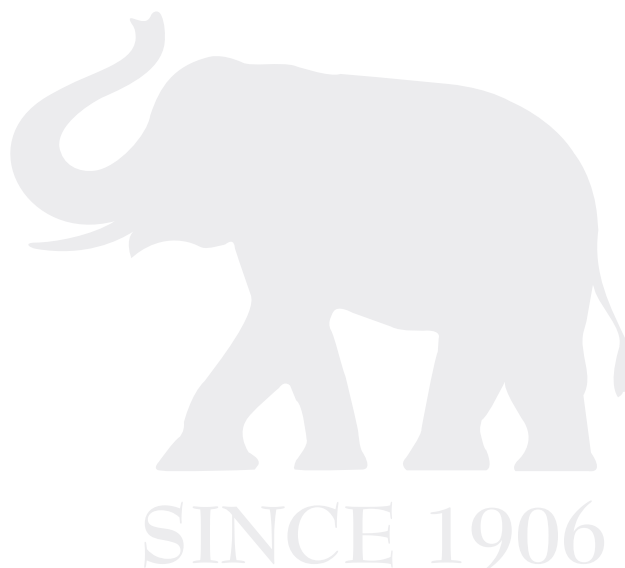
Partner

Place: MUMBAI

Date: 23/08/2019

Membership No. **035348**

UDIN : 19035348AAAABJ9822



Balance Sheet as at 31st March 2019

	Note	2018-19 ₹	2018-19 ₹	2017-18 ₹
EQUITY AND LIABILITIES				
SHAREHOLDERS FUNDS :				
Share Capital	2	9,880,000		9,880,000
Reserves & Surplus	3	145,833,865	155,713,865	113,585,244
				123,465,244
NON CURRENT LIABILITIES:				
Long Term Provisions	4	1,738,693	1,738,693	2,013,193
				2,013,193
CURRENT LIABILITIES:				
Trade Payables	5			
Outstanding dues of micro and small enterprises		1,072,259		-
Outstanding dues of others		7,107,185		5,299,936
Short Term Borrowings	6	37,000,000		-
Short Term Provisions	7	24,686,605		10,466,504
Other Current Liabilities	8	10,620,889		6,681,000
			80,486,938	22,447,440
Total			237,939,496	147,925,877
ASSETS				
NON CURRENT ASSETS:				
Property, Plant & Equipments	9			
Tangible Assets			22,541,610	11,568,867
Intangible Assets			998,148	1,990,415
NON CURRENT INVESTMENTS:	10		30,100,000	600,000
LONG TERM LOANS AND ADVANCES:	11		-	1,645,848
DEFERRED TAX ASSETS	27		4,255,308	4,473,395
OTHER NON CURRENT ASSETS	12		2,047,418	-
CURRENT ASSETS:				
Inventories	13	86,154,936		55,437,119
Trade Receivables	14	1,333,261		1,779,510
Cash & Cash Equivalents	15	12,351,690		40,480,283
Short Term Loans and Advances	16	77,274,780		29,950,440
Other Current Assets	17	882,345		-
			177,997,012	127,647,352
			237,939,496	147,925,877
Notes forming part of Financial Statements	1-30			

As per our Report of even dated
For BANSHI JAIN & ASSOCIATES
Chartered Accountants
Reg No. 100990W

R. B. GOLECHA
Partner
Membership No:035348

MUMBAI, 23rd August, 2019

Madhu Chandak
Director
Manjri Chandak
Director

Jyoti Kabra
Director
MUMBAI, 23rd August, 2019

Statement of Profit and Loss for the year ended 31st March 2019

		2018-19	2017-18
CONTINUING OPERATIONS	Note	₹	₹
INCOME :			
Revenue from Operations	18	397,750,416	303,923,039
Other Income	19	1,618,241	3,098,995
Total Revenue		399,368,657	307,022,034
EXPENSES :			
Purchase Of Stock In Trade	20	222,007,758	151,633,963
Change in Inventories of Stock in Trade	21	(30,758,502)	5,760,585
Employee Benefit Expenses	22	48,306,177	36,988,843
Finance Costs	23	5,099,666	4,145,191
Other Expenses	24	100,403,540	66,415,393
Depreciation & amortisation expenses	9	6,830,847	2,839,687
Total Expenses		351,889,486	267,783,662
Profit before Exceptional Items		47,479,171	39,238,372
Exceptional Items		-	-
Profit / (Loss) before Tax		47,479,171	39,238,372
Provision for Tax		14,239,427	7,705,754
Less:- MAT Credit Entitlement		1,645,848	(1,645,848)
Provision for Deferred Tax		218,087	(4,473,395)
Total Tax Expenses		16,103,362	1,586,511
Profit / (Loss) after Tax		31,375,809	37,651,861
Less: Prior years tax adjustments		(872,812)	3,487,765
Profit/(Loss) for the year		32,248,621	34,164,096
Basic and diluted earning per share (in ₹)	26	6.53	6.92
Notes forming part of Financial Statements	1-30		
As per our Report of even dated			
For BANSHI JAIN & ASSOCIATES			
Chartered Accountants			
Reg No. 100990W			
R. B. GOLECHA		Madhu Chandak	
Partner		Director	
Membership No:035348		Manjri Chandak	
		Director	
		Jyoti Kabra	
		Director	
MUMBAI, 23rd August, 2019		MUMBAI, 23rd August, 2019	

Cash Flow Statement for the year ended 31st March 2019

	2018-19		2017-18	
	₹	₹	₹	₹
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax and Exceptional items		47,479		39,238
Add: Adjustments for :				
Depreciation & Amortisation	6,831		2,840	
Profit on sale of Fixed Asset	42		-	
Interest received	(665)	6,208	(137)	2,703
Operating Profit before Working Capital Changes		53,687		41,941
Adjustments for :				
Increase / (Decrease) in Trade payables	2,880		(15,218)	
Increase / (Decrease) in Other Current Liabilities	3,940		(2,915)	
Increase / (Decrease) in Long Term Provisions	(275)		2,013	
Increase / (Decrease) in Short Term Provisions	(441)		8,707	
(Increase) / Decrease in Inventories	(30,718)		5,951	
(Increase) / Decrease in Long Term Loans & Advances	1.65		59,121	
(Increase) / Decrease in Other Non Current Assets	(2,047)		-	
(Increase) / Decrease in Short Term Loans & Advances	(32,218)		(8,003)	
(Increase) / Decrease in Other Current Assets	(882)		-	
(Increase) / Decrease in Trade & Other receivables	446	(59,313)	(921)	48,735
Cash Generated from Operations		(5,625)		90,676
Direct taxes paid		(12,982)		(9,544)
Net Cash from Operating Activities	[A]	(18,607)		81,132
B CASH FLOW FROM INVESTMENT ACTIVITIES				
Purchase of Assets		(16,202)		(8,481)
Sale of Assets		55		0
Purchases of Investments		(29,500)		-
Interest received		665		137
Net Cash from Investing Activities	[B]	(44,982)		(8,344)
C CASH FLOW FROM FINANCING ACTIVITIES				
Receipt / (Repayment) of borrowings		37,000		(34,700)
Interest paid		-		-
Net Cash Flow from Financial Activities	[C]	37,000		(34,700)
Net Cash increase/(Decrease) in cash and Cash equivalents	(A+B+C)	(26,590)		38,088
Cash and Cash Equivalents (Opening) :				
Cash on Hand	411		313	
Balance with Banks	40,069	40,480	2,079	2,392
Cash and Cash Equivalents (Closing) :				
Cash on Hand	893		411	
Balance with Banks	11,459	12,352	40,069	40,480

AUDITORS' REPORT ON CASH FLOW STATEMENT

We have examined the attached Cash Flow Statement of Bombay Swadeshi Stores Limited for the year ended 31st March, 2019. The statement has been prepared as per AS-3 on Cash Flow Statement issued by Institute of Chartered Accountants of India under the "Indirect Method" and is in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report dated 23rd August 2019 to the members of the Company."

For Banshi Jain & Associates
Chartered Accountants
Reg No. 100990W

R. B. GOLECHA
Partner
Membership No:035348

MUMBAI, 23rd August 2019

Notes to Financial Statements for the year ended 31st March 2019

1 Company Background

The Company was incorporated in 1905. The Company is in business of retailing of variety of household, gifts, artefacts & other consumable products through its stores.

1.1 Significant Accounting Policies

- A. **Basis of Accounting:** The Financial Statements are prepared under historical cost conventions, on accrual basis of accounting and in accordance with the applicable mandatory Accounting Standards as notified under the relevant provisions of the Companies Act, 2013.
- B. **Use of Estimates:** The preparation of financial statements requires management to make certain estimates and assumptions that affect the amount reported in the financial statements and notes thereto. Differences between actual results and estimates are recognised in the period they materialise.

C. Fixed Assets

- i. Tangible Fixed Assets are recorded at cost inclusive of Inward Freight, Duties, Taxes and Incidental Expenses related to acquisition of the Assets. Leasehold Premises are carried forward at cost. In case final settlement of bills with contractors is pending, but the asset is complete and ready for use, capitalisation is done on estimation basis subject to necessary adjustments, including those arising out of settlement of arbitration / court cases, in the year of final settlement.
- ii. **Depreciation and amortisation:** Depreciation, on fixed assets put to use, is provided on Written Down Value over the estimated useful life of tangible fixed assets as estimated by the management as follows:

Particulars	Estimate useful life
Plant and machinery	15 Years
Electrical installation and fittings	10 Years
Furniture and fixtures	10 Years
Computer – Server and Networks	3 Years
Office equipment	5 Years
Vehicles	8 Years
Software	5 Years

The Non-compete agreement and licences included in Intangible asset are amortised over its useful life.

- iii. **Impairment:** Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount.
- iv. Intangible Assets: Software has been amortised over a period of 60 months.

D. Investments

- i. Long term Investments are recorded in the books at cost inclusive of all expenses incidental to acquisition thereof. Long term Investments are stated at cost, provision for decline in value, other than temporary is made to recognize such decline.
- ii. Current Investments are valued at lower of cost or market value/net asset value.

- E. **Inventories:** Stock in trade - Merchandise is valued at cost or net realizable value whichever is lower. Cost includes direct expenses such as freight, taxes etc. Stock is valued on first-in-first-out basis.

F. Cash & Cash Equivalents for purpose of Cash Flow:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Notes to Financial Statements for the year ended 31st March 2019

G. Sales

- i. Export sales in foreign currency are accounted at the exchange rate prevailing on the date of the Bill of Lading.
- ii. Counter Sales in foreign exchange are converted in to Indian Rupees at the exchange rate ruling on the date of the transactions.

H. Mloyal Royalty Programme

Customer award credits having a predetermined life are granted to customers when they make purchases. The fair value of the consideration on sale of goods resulting in such award credits is allocated between the goods supplied and the award credit granted. The consideration allocated to the award certificate is measured by fair value from standpoint of the holder and revenue is deferred. The Company at the end of each reporting period estimates the number of point redeemed, based on empirical date of redemption/lapses, and revenue is accordingly recognised.

I. Gift Voucher

The amount collected on sales of Gift Voucher is recognised as a liability and transferred to revenue (Sales) when redeemed or to revenue (Others) on expiry.

J. Employees Benefits:

i. Defined Contribution Plan

Employees Benefits in the Provident Fund , Family Pension Fund and ESIC which are defined contribution schemes, are charged to the Profit and Loss Account of the year when contribution accrue.

ii. Defined Benefit Plan

The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation by an independent actuary at the year end, which is calculated using projected unit credit method. Actuarial gains and losses which comprise experience adjustment and the effect of changes in actuarial assumptions are recognised in the statement of Profit and Loss.

iii. Leave Liability:

The employees of the company are entitled to leave as per the leave policy of the company. The liability on account of accumulated leave as on last day of the accounting year is recognised at present value of the defined obligation at the balance sheet date based on the actuarial valuation carried out by an independent actuary using projected unit credit method.

- iv. Retirement benefit in the form of provident Fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of Profit & Loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the provident fund.

K. Taxes on Income :

- i. Tax expenses comprise of current and deferred tax.
- ii. Current tax is measured at the amount expected to be paid on the basis of reliefs and deductions available in accordance with the provisions of the Income Tax Act, 1961.
- iii. Deferred tax reflects the impact of current year timing differences between accounting and taxable income and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and laws that have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets are recognised only to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised and are reviewed at each balance sheet date.

Notes to Financial Statements for the year ended 31st March 2019

L. Earning per share :

- i. Basic and diluted earning per share are computed in accordance with Accounting Standard-20.
- ii. Basic earning per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earning per equity share are computed using the weighted average number of equity share and diluted potential equity shares outstanding during the year, except where the result are anti-dilutive.

M. Provisions, Contingent Liabilities and Contingent Assets :

- i. Provision is recognised when the company has a present obligation as a result of past events and it is probable that the outflow of resources will be required to settle the obligation and in respect of which reliable estimates can be made.
- ii. A disclosure for contingent liability is made when there is a possible obligation, that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision / disclosure is made.
- iii. Contingent assets are not recognised in the financial statements.
- iv. Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates.

As per our Report of even dated
For BANSHI JAIN & ASSOCIATES
Chartered Accountants
Reg No. 100990W

R. B. GOLECHA
Partner
Membership No:035348

MUMBAI, 23rd August, 2019

Madhu Chandak
Director

Manjri Chandak
Director

Jyoti Kabra
Director

MUMBAI, 23rd August, 2019

Notes to Financial Statements for the year ended 31st March 2019

		2018-19 ₹	2017-18 ₹			
2	SHARE CAPITAL					
2.1	Authorised :					
	15,000,000 Equity shares of ₹ 2/- each	30,000,000	30,000,000			
	200,000 Preference shares of ₹ 100/- each	20,000,000	20,000,000			
		50,000,000	50,000,000			
2.2	Issued, subscribed and paid-up:					
	4,940,000 (Previous year 4,940,000) Equity shares of ₹ 2/- (Previous year ₹ 2/-) each fully paid-up in cash	9,880,000	9,880,000			
		9,880,000	9,880,000			
2.3	Reconciliation of Shares outstanding at the beginning and end of the year:					
	Particulars	2018-19	2017-18			
		No of Shares	Amount	No of Shares	Amount	
	Equity Shares at the beginning of the year	4,940,000	9,880,000	4,940,000	9,880,000	
	Add: Issued during the year	-	-	-	-	
	Equity Shares at the end of the year	4,940,000	9,880,000	4,940,000	9,880,000	
2.4	Details of shareholders holding more than 5% of shares as at					
	Sr No	Name of Shareholders	2018-19	2017-18		
			No of Shares	% of Paid up capital	No of Shares	% of Paid up capital
	1	Mrs. MADHU ABHAY CHANDAK	16,60,818	33.62	16,60,818	33.62
	2	Mrs. JYOTI VARUN KABRA	14,95,186	30.27	14,95,186	30.27
	3	Mrs. MANJRI CHANDAK	14,46,591	29.28	14,46,651	29.28
					2018-19	2017-18
					₹	₹
3	RESERVES AND SURPLUS					
	Capital Reserve					
	Balance as per last Balance Sheet				1,004,364	1,004,364
	Share Premium Account					
	Balance as per last Balance Sheet				89,879,206	89,879,206
	Statement of Profit & Loss					
	Balance as per last Balance Sheet				22,701,674	(11,462,422)
	Add: Profit/(Loss) for the year				32,248,621	34,164,096
	Balance carried forward				54,950,295	22,701,674
				Total	145,833,865	113,585,244
4	LONG TERM PROVISIONS					
	Provision for Gratuity				761,226	1,607,038
	Provision for Leave Encashment				977,467	406,155
				Total	1,738,693	2,013,193
5	TRADE PAYABLES					
	Outstanding dues of micro and small enterprises (*)				1,072,259	-
	Outstanding dues of others				7,107,185	5,299,936
				Total	8,179,444	5,299,936
	(*) Disclosure in respect of Micro, Small and Medium Enterprises:					
	(A) Principal amount remaining unpaid to any supplier as at the year end				1072259	-
	(B) Interest due thereon.				-	-

Notes to Financial Statements for the year ended 31st March 2019

(C) Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the year.

(D) Amount of interest due and payable for the period of delay in making payment which have been paid but beyond the appointed day during the year] but without adding the interest specified under the MSMED.

(E) Amount of interest accrued and remaining unpaid at the end of the accounting year.

The above information has been compiled in respect of parties to the extent to which they could be identified as Micro, Small and Medium Enterprises on the basis of information available with the Company.

		2018-19 ₹	2017-18 ₹
6 SHORT TERM BORROWING			
UNSECURED LOANS		37,000,000	-
Loan from a Director	Total	37,000,000	-
7 SHORT TERM PROVISIONS			
Provision for Gratuity		1,953,572	1,224,673
Provision for Leave Encashment		494,700	783,091
Provision for Tax		22,238,333	8,458,740
Total	Total	24,686,605	10,466,504
8 OTHER CURRENT LIABILITIES			
Advance from Customers		220,307	241,393
Interest accrued and due		163,319	165,719
Unclaim Fixed Deposit*		214,000	244,000
Payable to Statutory Authorities		2,222,083	900,233
Sundry Creditors for Fixed Assets		30,723	248,038
Other Payables		6,878,082	3,955,622
Payable to Subsidiary		892,375	925,995
Total	Total	10,620,889	6,681,000

Note 9 : Fixed Assets

SR. NO.	DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		AS AT	ADDITIONS	DEDUCTIONS	AS AT	AS AT	FOR THE YEAR	DEDUCTIONS/ADJUSTMENT	AS AT	AS AT	AS AT
		01-Apr-18			31-Mar-19	01-Apr-18			31-Mar-19	31-Mar-19	31-Mar-18
	TANGIBLE ASSETS										
1	Lease hold premises	2,500,000	-	-	2,500,000	-	-	-	-	2,500,000	2,500,000
2	Furniture & Fixtures	30,104,040	8,976,811	-	39,080,851	24,555,126	2,722,430	-	27,277,556	11,803,295	5,548,914
3	Computers & Softwares	3,878,212	184,579	-	4,062,791	3,328,293	216,947	-	3,545,240	517,551	549,919
4	Office & Other Equipments	2,833,103	2,146,812	-	4,979,915	1,968,598	901,303	-	2,869,901	2,110,014	864,505
5	Electrical Installations	7,680,020	5,246,879	368,538	12,558,361	5,574,491	1,644,823	271,703	6,947,611	5,610,750	2,105,529
	Total	46,995,375	16,555,081	368,538	63,181,918	35,426,508	5,485,503	271,703	40,640,308	22,541,610	11,568,867
	Previous Year ₹	40,605,785	6,389,589	-	46,995,375	32,893,454	2,533,054	-	32,893,454	7,712,331	4,449,498
	INTANGIBLE ASSETS										
6	Software	3,435,341	353,077	-	3,788,418	1,444,926	1,345,344	-	2,790,270	998,148	1,990,415
	Total	3,435,341	353,077	-	3,788,418	1,444,926	1,345,344	-	2,790,270	998,148	1,990,415
	Previous Year ₹	1,343,606	2,091,735	-	3,435,341	1,138,293	306,633	-	1,138,293	205,313	362,849

Notes to Financial Statements for the year ended 31st March 2019

	2018-19 ₹	2017-18 ₹
10 NON CURRENT INVESTMENTS		
Trade - Unquoted		
i Investment in Subsidiary Company: 50,000 (Previous year 50,000) Equity shares of Bombay Store Retail Company Ltd. of ₹ 10/- each fully paid up	500,000	500,000
ii. Preference shares of Bombay Store Retail Company Ltd. of ₹ 10/- each fully paid up	29,500,000	-
iii. Investment in Associates* 10000 (Previous year 10000) equity shares of Out of India Retail Pvt Ltd. of Rs.10/- each fully paid up [Holding in Associates is 26% of Voting Rights & 8.42% of Ownership Interest]	100,000	100,000
	<u>30,100,000</u>	<u>600,000</u>
Less : Diminution in value of Investments	-	-
Total	<u>30,100,000</u>	<u>600,000</u>
<p>*Bombay Swadeshi Stores Limited (BSSL) has made its investment in Out of India Retail Pvt Ltd. BSSL holds 26.42% of the voting power and 8.28% of the ownership interest in Out of India Retail Pvt Ltd thereby making it a associate company. The balance 73.58% of voting power and 91.72% of ownership is held by Tourvest Holding (PTV) Limited, South Africa. There has been a dispute between the BSSL and Tourvest Holding (PTV) Limited upon which subsequently BSSL has entered into a Settlement Agreement dated 11th July 2019, wherein BSSL has agreed to sell its entire holding in Out of India Retail Pvt Ltd to Tourvest Holding (PTV) Limited.</p>		
11 LONG TERM LOANS & ADVANCES		
MAT Credit Entitlement	-	1,645,848
	<u>-</u>	<u>1,645,848</u>
12 OTHER NON CURRENT ASSETS		
Building Improvement of Leasehold Premises	2,047,418	-
Total	<u>2,047,418</u>	<u>-</u>
13 INVENTORIES		
Stock in Trade - Merchandise	-	-
At cost or net realisable value whichever is lower	86,154,936	55,437,119
Total	<u>86,154,936</u>	<u>55,437,119</u>
14 TRADE RECEIVABLES		
(Unsecured, Considered Good)		
Due for more than six months from the due date of payment	-	-
Other trade receivables	1,333,261	1,779,510
Total	<u>1,333,261</u>	<u>1,779,510</u>

Notes to Financial Statements for the year ended 31st March 2019

		2018-19 ₹	2017-18 ₹
15 CASH AND CASH EQUIVALENTS			
Cash And Cash Equivalents			
Cash on Hand		892,649	411,061
Current Accounts		9,806,475	38,524,421
Other balances			
Deposit with Bank		1,652,566	1,544,801
Total		<u>12,351,690</u>	<u>40,480,283</u>
16 SHORT TERM LOANS AND ADVANCES			
(Unsecured, considered good)			
Advance to Vendors		4,944,617	713,445
Balance with Government Authorities		6,202,979	1,093,350
Advance payment of taxes (net)		20,723,560	5,617,453
Security & Other Deposits		44,922,298	22,127,350
Others		481,326	398,842
Total		<u>77,274,780</u>	<u>29,950,440</u>
17 OTHER CURRENT ASSETS			
Building Improvement of Leasehold Premises		882,345	-
Total		<u>882,345</u>	<u>-</u>
18 REVENUE FROM OPERATIONS			
Sales of Merchandise		397,750,416	303,923,039
		<u>397,750,416</u>	<u>303,923,039</u>
19 OTHER INCOME			
Interest		664,731	136,786
Deemed Credit		-	2,139,064
Miscellaneous receipts		240,511	283,111
Sundry balances written back		712,999	540,034
Total		<u>1,618,241</u>	<u>3,098,995</u>
20 PURCHASE OF STOCK IN TRADE			
Purchases of Merchandise		222,007,758	151,633,963
Total		<u>222,007,758</u>	<u>151,633,963</u>
21 CHANGE IN INVENTORIES OF STOCK IN TRADE			
Opening Stock		55,396,434	61,157,019
Closing Stock		86,154,936	55,396,434
(Increase)/Decrease		<u>(30,758,502)</u>	<u>5,760,585</u>

Notes to Financial Statements for the year ended 31st March 2019

	2018-19 ₹	2017-18 ₹
22 EMPLOYEE BENEFIT EXPENSES		
Salaries, Allowances & Bonus	43,419,716	29,992,062
Provision for Gratuity	433,815	3,082,443
Provision for Leave Encashment	537,731	1,189,246
Contribution to Provided Fund & other Funds	3,218,331	2,207,863
Staff Welfare expenses	696,584	517,229
Total	<u>48,306,177</u>	<u>36,988,843</u>
23 FINANCE COST		
Bank Charges	703,414	566,890
Credit Card Charges	3,802,012	3,055,315
Interest on Late Payment of taxes	594,240	522,986
Total	<u>5,099,666</u>	<u>4,145,191</u>
24 OTHER EXPENSES		
Lease Rent	43,611,279	22,681,593
Repairs & Maintenance - Others	8,426,342	4,453,456
Legal & Professional Charges	2,834,827	1,430,599
Sales & Other Commission	16,684,537	14,039,821
House keeping Expenses	2,803,858	2,116,577
Security services charges	3,293,286	2,312,019
Travelling & Conveyance	1,737,168	1,011,574
Electricity & Fuel	6,097,500	5,693,175
Insurance	97,255	83,198
Printing & Stationery	1,592,928	790,681
Advertisements & Sales Promotion	4,902,932	4,292,646
Packing Charges	3,060,246	2,549,200
Rates & Taxes	622,691	706,093
Auditors Remuneration:		
Audit Fees	250,000	250,000
Tax Audit Fees	50,000	50,000
	300,000	300,000
Miscellaneous Expenses	4,338,691	3,929,678
Advances Written-off	-	25,083
Total	<u>100,403,540</u>	<u>66,415,393</u>
25. Contingent Liabilities:		
In respect of Income Tax Assessment Proceedings for AY 2014-15 & AY 2015-16 ₹ 17,41,780/- & ₹ 12,45,390/- is assessed as payable in the Assessment Order u/s 143 (3) of The Income Tax Act, 1961 on account of disallowances of expenses. The Company has filed an appeal against the CIT (A) and received the order in favour on 24 July, 2019. The appeal giving effect of the said order is pending before Assessing Officer.		

Notes to Financial Statements for the year ended 31st March 2019

26. Calculation of Earnings per Equity Share [EPS] :

Particulars			31-Mar-19	31-Mar-18
The numerators and denominators used to calculate the basic and diluted EPS are as follows :				
A	Profit/ (Loss) after tax attributable to Shareholders	₹	32,248,621	34,164,096
B	Basic and weighted average number of Equity shares	Nos.	4,940,000	4,940,000
C	Nominal value of equity share	₹	2	2
D	Basic EPS	₹	6.53	6.92
E	Diluted EPS	₹	6.53	6.92

27. DEFERRED TAX ASSETS

The breakup of deferred tax assets / liability

	Deferred tax asset/ (liability) as at 31-Mar-19 (₹)	Deferred tax asset/ (liability) as at 31-Mar-18 (₹)
A. Deferred Tax Assets		
Expenses allowable for tax purpose when paid	530,936	1,335,166
Difference between tax and Book Written Down Value	3,724,372	3,138,229
	<u>4,255,308</u>	<u>4,473,395</u>
B. Deferred Tax Liability		
Difference between Book Written Down Value and tax	-	-
	-	-
C. Net Deferred Tax Assets	<u>4,255,308</u>	<u>4,473,395</u>

28. Related Party Disclosures

A. Relationship

I) Subsidiary Company

Bombay Store Retail Company Limited

II) Associate Company

Out Of India Retail Pvt Ltd [No transactions during the the year]

III) Key Management Personnel & Relatives:

Mrs.Madhu Chandak-Director

Mrs.Manjri Chandak-Director

Mrs.Jyoti Kabra-Director

IV) Other Parties / Enterprises where control / significant influence exists.

Avenue Supermarts Limited

Related party relationship is as identified by the Company and relied on by the Auditors.

Notes to Financial Statements for the year ended 31st March 2019

B. Details of Transactions with Related Parties.

Sr. No.	Nature of Transactions	Related Party Referred in			
		A (I)	A (II)	A (III)	A (IV)
i.	Purchases of goods and material	- (8,951,498)	- (-)	- (-)	- (-)
ii.	Investment in Preference Shares	29,500,000 (-)	- (-)	- (-)	- (-)
iii.	Expenditure				
	Rent and Utilities Reimbursement	7,199,085 (6,086,570)	- (-)	- (-)	2,174,321 (2,748,500)
	Electricity Expenses	- (147,641)	- (-)	- (-)	96,216 (214,807)
iv.	Outstanding Balance				
	Loans & Advances receivable	- (-)	- (-)	37,000,000 (-)	- (-)
	Other Current Liabilities	892,375 (-)	- (-)	- (-)	- (-)

Figures in brackets are for previous year.

29. Earning in Foreign Exchange

- i. Receipts on account of sale of merchandise ₹ 10,06,79,065/- (Previous year ₹ 72,375,064/-).

30. Previous year's figures have been regrouped / re-arranged / reclassified wherever necessary.

As per our Report of even dated
For BANSHI JAIN & ASSOCIATES
Chartered Accountants
Reg No. 100990W

R. B. GOLECHA
Partner
Membership No:035348

MUMBAI, 23rd August, 2019

SINCE 1906

Madhu Chandak
Director

Manjri Chandak
Director

Jyoti Kabra
Director

MUMBAI, 23rd August, 2019

A light gray silhouette of an elephant facing left, with its trunk curled slightly. It is positioned behind the main title text.

CONSOLIDATED FINANCIAL STATEMENTS

SINCE 1906

Independent Auditors' Report to the Board of Directors of Bombay Swadeshi Stores Limited

TO THE MEMBERS OF BOMBAY SWADESHI STORES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of BOMBAY SWADESHI STORES LIMITED ("the holding Company"), BOMBAY STORE RETAIL COMPANY LIMITED its subsidiary (the Company, its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss and Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, the consolidated profit and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to the Foot Note to Note No 10 regarding non incorporation of financials of the Associate Company, M/s Out of India Retail Pvt Ltd., in its Consolidated Financial Statements.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act.

The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for preparation of consolidated financial statements. Further, in terms of provisions of the Act the respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation

of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies covered under the act, has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial

statements.

- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- c) The Consolidated Financial Statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under 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 of the Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2019 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 holding company and its subsidiaries covered under the Act and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) In our opinion and to the best of our information and according the explanation given to us, the company has not paid or provided managerial remuneration for the year ended March 31, 2019.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company does not have any pending litigations which would impact its financial position.
 - The Company did not have any long – term contracts including derivative contracts for which there were any material foreseeable losses.
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **BANSHI JAIN & ASSOCIATES**
Chartered Accountants
(Firm Registration Number – 0100990W)

Place: MUMBAI
Date: 23/08/2019

R.B. Golecha
Partner
Membership No. **035348**
UDIN : 19035348AAAABL7227

Annexure - A 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")

In conjunction with our audit of the consolidated financial statements of BOMBAY SWADESHI STORES LTD as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of **BOMBAY SWADESHI STORES LTD** (hereinafter referred to as "Holding Company") and its subsidiary, covered under the act, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the holding Company and its subsidiary companies, covered under the act, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, covered under the act, based on our audit. We conducted our audit in accordance with the Guidance Note by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiary companies, covered under the act.

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.

Emphasis of Matter

We draw attention to the Foot Note to Note No 10 regarding non incorporation of financials of the Associate Company, M/s Out Of India Retail Pvt Ltd in its Consolidated Financial Statements and thus we are not able to give the opinion on adequacy of Internal Financial Control Systems over Financial Reporting of the Associate Company.

Opinion

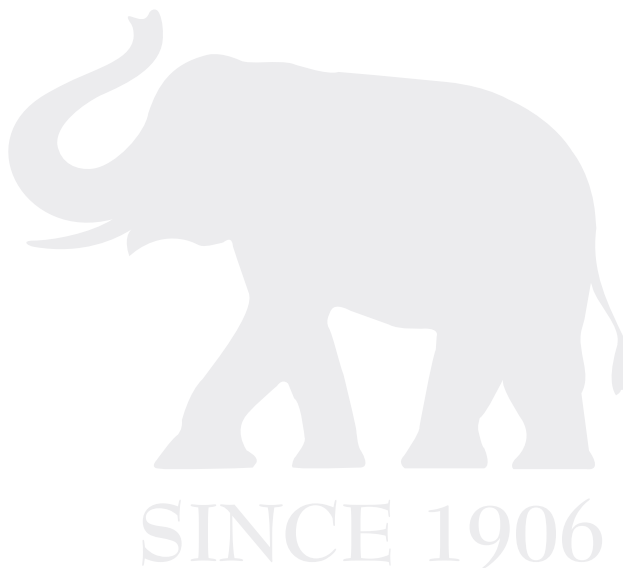
In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, covered under the act, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial

controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the respective companies 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 **BANSHI JAIN & ASSOCIATES**
Chartered Accountants
(Firm Registration Number – 0100990W)

Place: MUMBAI
Date: 23/08/2019

R.B. Golecha
Partner
Membership No. **035348**
UDIN : 19035348AAAABL7227



Consolidated Balance Sheet as at 31st March 2019

	Note	2018-19 ₹	2018-19 ₹	2017-18 ₹
EQUITY AND LIABILITIES				
SHAREHOLDERS FUNDS :				
Share Capital	2	9,880,000		9,880,000
Reserves & Surplus	3	20,912,083	30,792,083	(10,068,795)
				(188,795)
NON CURRENT LIABILITIES:				
Long Term Provisions	4	1,738,693	1,738,693	2,013,193
				2,013,193
CURRENT LIABILITIES:				
Trade Payables	5			-
Outstanding dues of micro and small enterprises		1,072,259		-
Outstanding dues of others		8,053,129		6,245,880
Short Term Borrowings	6	141,500,000		133,900,090
Short Term Provisions	7	24,686,605		10,466,504
Other Current Liabilities	8	11,596,361		7,608,807
			186,908,354	158,221,281
Total			219,439,130	160,045,679
ASSETS				
NON CURRENT ASSETS:				
Property, Plant & Equipments	9			
Tangible Assets			23,536,427	13,105,496
Intangible Assets			998,148	1,999,404
NON CURRENT INVESTMENTS:	10		7,170,717	7,170,717
LONG TERM LOANS AND ADVANCES:	11		-	1,645,848
DEFERRED TAX ASSETS	29		4,255,307	4,473,395
OTHER NON CURRENT ASSETS	12		2,047,418	-
CURRENT ASSETS:				
Current Investment	13	81,625		59,168
Inventories	14	86,154,936		55,437,119
Trade Receivables	15	1,368,001		1,814,339
Cash & Cash Equivalents	16	12,425,132		40,555,303
Short Term Loans and Advances	17	80,519,072		33,784,890
Other Current Assets	18	882,347		-
			181,431,113	131,650,820
			219,439,130	160,045,679
Notes forming part of Financial Statements	1-33			

As per our Report of even dated
For BANSHI JAIN & ASSOCIATES
Chartered Accountants
Reg No. 100990W

R. B. GOLECHA
Partner
Membership No:035348

Madhu Chandak
Director

Manjri Chandak
Director

Jyoti Kabra
Director

MUMBAI, 23rd August, 2019

MUMBAI, 23rd August, 2019

Consolidated Statement of Profit and Loss for the year ended 31st March 2019

		2018-19	2017-18
CONTINUING OPERATIONS	Note	₹	₹
INCOME :			
Revenue from Operations	19	397,750,416	303,923,039
Other Income	20	1,686,661	5,745,118
Total Revenue		399,437,077	309,668,158
EXPENDITURE :			
Purchase Of Stock In Trade	21	222,007,758	142,682,464
Change in Inventories of Stock in Trade	22	(30,758,502)	20,457,631
Employee Benefit Expenses	23	48,306,177	36,988,843
Finance Costs	24	5,100,276	4,146,011
Other Expenses	25	101,330,328	66,582,623
Depreciation & amortisation expenses	9	7,238,909	3,401,046
Total Expenses		353,224,946	274,258,619
Profit before Exceptional Items		46,212,131	35,409,539
Exceptional Items		-	-
Profit / (Loss) before Tax		46,212,131	35,409,539
Provision for Tax		14,239,427	7,705,754
Less:- MAT Credit Entitlement		1,645,848	(1,645,848)
Provision for Deferred Tax		218,087	(4,473,395)
Total Tax Expenses		16,103,362	1,586,511
Profit / (Loss) after Tax		30,108,769	33,823,028
Less: Prior years tax adjustments		(872,109)	3,904,191
Add:- Share of Profit of Associate		-	596,213
Profit/(Loss) for the year		30,980,878	30,515,050
Basic and diluted earning per share (in ₹)	27	6.27	6.18
Notes forming part of Financial Statements	1-33		
As per our Report of even dated			
For BANSHI JAIN & ASSOCIATES			
Chartered Accountants			
Reg No. 100990W			
R. B. GOLECHA		Madhu Chandak	
Partner		Director	
Membership No:035348		Manjri Chandak	
		Director	
		Jyoti Kabra	
		Director	
MUMBAI, 23rd August, 2019		MUMBAI, 23rd August, 2019	

Consolidated Cash Flow Statement for the year ended 31st March 2019

	2018-19		2017-18	
	₹	₹	₹	₹
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax and Exceptional Items		46,212		35,410
Add: Adjustments for :				
Depreciation	7,239		3,400	
Interest paid	-		-	
Interest received	(665)		(137)	
(Profit) / Loss on sales of fixed assets (net)	134		-	
Dividend received	(22)	6,685	(4)	3,259
Operating Profit before Working Capital Changes		52,897		38,669
Adjustments for :				
Increase / (Decrease) in Trade payables	2,880		(20,105)	
Increase / (Decrease) in Other Current Liabilities	3,988		(3,413)	
Increase / (Decrease) in Long Term Provisions	(275)		2,013	
Increase / (Decrease) in Short Term Provisions	(441)		8,707	
(Increase) / Decrease in Inventories	(30,718)		20,647	
(Increase) / Decrease in Long Term Loans & Advances	-		59,121	
(Increase) / Decrease in Other Non Current Assets	(2,047)		-	
(Increase) / Decrease in Short Term Loans & Advances	(32,231)		(8,843)	
(Increase) / Decrease in Other Current Assets	(882)			
(Increase) / Decrease in Trade & Other receivables	446	(59,280)	(920)	57,207
Cash Generated from Operations		(6,383)		95,876
Direct taxes paid		(12,982)		(10,089)
Net Cash from Operating Activities	[A]	(19,365)		85,787
B CASH FLOW FROM INVESTMENT ACTIVITIES				
Purchase of Assets		(16,202)		(8,481)
Sales of Assets		106		-
Sales / (Purchases) of Investments		(22)		-
Interest received		665		137
Dividend received		22		4
Net Cash from Investing Activities	[B]	(15,431)		(8,340)
C CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from borrowings		7,600		-
Repayment of borrowings		-		(39,568)
Net Cash Flow from Financial Activities	[C]	7,600		(39,568)
Net Cash increase/(Decrease) in cash and Cash equivalents	(A+B+C)	(27,196)		37,879
Cash and Cash Equivalents (Opening) :				
Cash on Hand	411		313	
Balance with Banks	40,144	40,555	2,363	2,676
Cash and Cash Equivalents (Closing) :				
Cash on Hand	893		411	
Balance with Banks	11,532	12,425	40,144	40,555

Notes :

- The above Cash Flow Statement has been prepared under the Indirect Method as set out in the Accounting Standard - 3 (AS3) 'Cash Flow Statement' issued by the Institute of Chartered Accountants of India.
- Cash and cash equivalent represent cash and bank balance only.
- Previous year's figures have been regrouped or rearranged wherever necessary.

MUMBAI, 23rd August 2019

Manjri Chandak
Director

AUDITORS' REPORT ON CASH FLOW STATEMENT

We have examined the attached Consolidated Cash Flow Statement of Bombay Swadeshi Stores Limited for the year ended 31st March, 2019. The statement has been prepared as per AS-3 on Cash Flow Statement issued by Institute of Chartered Accountants of India under the "Indirect Method" and is in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report dated 23rd August 2019 to the members of the Company."

For Banshi Jain & Associates
Chartered Accountants
Reg No. 100990W

R. B. GOLECHA
Partner
Membership No:035348

MUMBAI, 23rd August 2019

Notes to Consolidated Financial Statements for the year ended 31st March 2019

1. Company Background

The Company was incorporated in 1905. The Company is in business of retailing of variety of household, gifts, artefacts & other consumable products through its stores.

1.1 Significant Accounting Policies of Consolidated Accounts

A. **Accounting Convention** : The Consolidated Financial Statements are prepared under historical cost conventions and based on accrual method of accounting and applicable accounting standards by consolidating the accounts of parent company with its subsidiary.

B. **Principles of Consolidation** : The Consolidated financial Statements of the Company and its Subsidiary have been consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses, after eliminating intra group balances and the unrealised profits/losses on intra group transactions. The consolidated financial statements are presented to the extent possible in the same format as that adopted by the Company for its separate financial statements.

The difference between the cost of investment in the Subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the Consolidated Financial Statements as Goodwill or Capital Reserve as the case may be.

The Consolidated financial Statements of the Company and its Associate have been consolidated using the Equity Method.

C. **Use of Estimates**: The preparation of Consolidated Financial Statements requires management to make certain estimates and assumptions that affect the amount reported in the Consolidated Financial Statements and notes thereto. Differences between actual results and estimates are recognised in the period they materialise.

D. Fixed Assets

i. Tangible Fixed Assets are recorded at cost inclusive of Inward Freight, Duties, Taxes and Incidental Expenses related to acquisition of the Assets. Leasehold Premises are carried forward at cost. In case final settlement of bills with contractors is pending, but the asset is complete and ready for use, capitalisation is done on estimation basis subject to necessary adjustments, including those arising out of settlement of arbitration / court cases, in the year of final settlement.

ii. **Depreciation and amortisation**: Depreciation, on fixed assets put to use, is provided on Written Down Value over the estimated useful life of tangible fixed assets as estimated by the management as follows:

Particulars	Estimate useful life
Plant and machinery	15 Years
Electrical installation and fittings	10 Years
Furniture and fixtures	10 Years
Computer – Server and Networks	3 Years
Office equipment	5 Years
Vehicles	8 Years
Software	5 Years

The Non-compete agreement and licences included in Intangible asset are amortised over its useful life.

iii. **Impairment**: Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount.

iv. Intangible Assets: Goodwill has been amortized over 20 years & Software has been amortised over a period of 60 months.

E. Investments

i. Long Term Investments are recorded in the books at cost inclusive of all expenses incidental to acquisition thereof. Long Term Investments are stated at cost, provision for decline in value, other than temporary is made to recognize such decline.

ii. Current Investments are valued at lower of cost or market value/net asset value.

Notes to Consolidated Financial Statements for the year ended 31st March 2019

F. Inventories:

Stock in trade - Merchandise is valued at cost or net realisable value whichever is lower. Cost includes direct expenses such as freight, taxes etc. Stock is valued on first-in-first-out basis.

G. Cash & Cash Equivalents for purpose of Cash Flow:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

H. Sales:

- i. Export sales in foreign currency are accounted at the exchange rate prevailing on the date of the Bill of Lading.
- ii. Counter Sales in foreign exchange are converted in to Indian Rupees at the exchange rate ruling on the date of the transactions.

I. Mloyal Royalty Programme

Customer award credits having a predetermined life are granted to customers when they make purchases. The fair value of the consideration on sale of goods resulting in such award credits is allocated between the goods supplied and the award credit granted. The consideration allocated to the award certificate is measured by fair value from standpoint of the holder and revenue is deferred. The company at the end of each reporting period estimates the number of point redeemed, based on empirical date of redemption/lapses, and revenue is accordingly recognised.

J. Gift Voucher

The amount collected on sales of Gift Voucher is recognised as a liability and transferred to revenue (Sales) when redeemed or to revenue (Others) on expiry.

K. Employees Benefits

A (Company Policy)

i. Defined Contribution Plan

Employees Benefits in the Provident Fund, Family Pension Fund and ESIC which are defined contribution schemes, are charged to the Profit and Loss Account of the year when contribution accrue.

ii. Defined Benefit Plan

The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation by an independent actuary at the year end, which is calculated using projected unit credit method. Actuarial gains and losses which comprise experience adjustment and the effect of changes in actuarial assumptions are recognised in the statement of Profit and Loss.

iii. Leave Liability

The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation by an independent actuary at the year end, which is calculated using projected unit credit method. Actuarial gains and losses which comprise experience adjustment and the effect of changes in actuarial assumptions are recognised in the statement of Profit and Loss.

- iv. Retirement benefit in the form of provident Fund is a defined contribution scheme. The contributions to the provident fund are charged to the statement of Profit & Loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the provident fund.

B (Subsidiary Policy)

i. Defined Contribution Plan

Employees Benefits in the Provident Fund, Family Pension Fund and ESIC which are defined contribution schemes, are charged to the Profit and Loss Account of the year when contribution accrue.

Notes to Consolidated Financial Statements for the year ended 31st March 2019

ii. Defined Benefit Plan

Annual Contribution towards Gratuity Liability is funded with the Life Insurance Corporation of India in accordance with their Gratuity scheme and is absorbed in the accounts. The Company does not retain any obligation to pay further amounts if insurer does not pay all future employee benefits so the plan is not treated as defined benefit plan.

iii. No provision is made for encashment of unavailed leave payable on retirement of employees.

L. Taxes on Income:

- i. Tax expenses comprise of current and deferred tax.
- ii. Current tax is measured at the amount expected to be paid on the basis of reliefs and deductions available in accordance with the provisions of the Income Tax Act, 1961.
- iii. Deferred tax reflects the impact of current year timing differences between accounting and taxable income and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and laws that have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets are recognised only to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised and are reviewed at each balance sheet date.

M. Earning per share :

- i. Basic and diluted earning per share are computed in accordance with Accounting Standard-20.
- ii. Basic earning per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earning per equity share are computed using the weighted average number of equity share and diluted potential equity shares outstanding during the year, except where the result are anti-dilutive.

N. Provisions, Contingent Liabilities and Contingent Assets :

- i. Provision is recognised when the company has a present obligation as a result of past events and it is probable that the outflow of resources will be required to settle the obligation and in respect of which reliable estimates can be made.
- ii. A disclosure for contingent liability is made when there is a possible obligation, that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision / disclosure is made.
- iii. Contingent assets are not recognised in the Consolidated Financial Statements.
- iv. Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates.

As per our Report of even dated
For BANSHI JAIN & ASSOCIATES
Chartered Accountants
Reg No. 100990W

R. B. GOLECHA
Partner
Membership No:035348

MUMBAI, 23rd August, 2019

Madhu Chandak
Director

Manjri Chandak
Director

Jyoti Kabra
Director

MUMBAI, 23rd August, 2019

Notes to Consolidated Financial Statements for the year ended 31st March 2019

		2018-19 ₹	2017-18 ₹
2 SHARE CAPITAL			
2.1 Authorised :			
15,000,000 Equity shares of ₹ 2/- each		30,000,000	30,000,000
200,000 Preference shares of ₹ 100/- each		20,000,000	20,000,000
		50,000,000	50,000,000
2.2 Issued, subscribed and paid-up:			
4,940,000 (Previous year 4,940,000) Equity shares of ₹ 2/- (Previous year ₹ 2/-) each fully paid-up in cash		9,880,000	9,880,000
		9,880,000	9,880,000
2.3 Reconciliation of Shares outstanding at the beginning and end of the year:			
Particulars	2018-19	2017-18	
	No of Shares	Amount	No of Shares Amount
Equity Shares at the beginning of the year	4,940,000	9,880,000	4,940,000 9,880,000
Add: Issued during the year	-	-	- -
Equity Shares at the end of the year	4,940,000	9,880,000	4,940,000 9,880,000
2.4 Details of shareholders holding more than 5% of shares as at			
Sr No	Name of Shareholders	2018-19	2017-18
		No of Shares % of Paid up capital	No of Shares % of Paid up capital
1	Mrs. MADHU ABHAY CHANDAK	16,60,818 33.62	16,60,818 33.62
2	Mrs. JYOTI VARUN KABRA	14,95,186 30.27	14,95,186 30.27
3	Mrs. MANJRI CHANDAK	14,46,591 29.28	14,46,651 29.28
		2018-19 ₹	2017-18 ₹
3 RESERVES AND SURPLUS			
Capital Reserve			
Balance as per last Balance Sheet		6,974,307	6,974,307
Share Premium Account			
Balance as per last Balance Sheet		89,879,206	89,879,206
Statement of Profit & Loss			
Balance as per last Balance Sheet		(106,922,308)	(137,941,921)
Add: Profit/(Loss) for the year		30,980,878	30,515,052
Add:- Share of Net Profit on Consolidation of Associate (pertaining to previous years)		-	504,561
Balance carried forward		(75,941,430)	(106,922,308)
	Total	20,912,083	(10,068,795)
4 LONG TERM PROVISIONS			
<i>Provision for Gratuity</i>		761,226	1,607,038
<i>Provision for Leave Encashment</i>		977,467	406,155
	Total	1,738,693	2,013,193
5 TRADE PAYABLES			
Outstanding dues of micro and small enterprises (*)		1,072,259	-
Outstanding dues of others		8,053,129	6,245,880
	Total	9,125,388	6,245,880
(*) Disclosure in respect of Micro, Small and Medium Enterprises:			

Notes to Consolidated Financial Statements for the year ended 31st March 2019

(A) Principal amount remaining unpaid to any supplier as at the year end	1072259	-
(B) Interest due thereon.	-	-
(C) Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
(D) Amount of interest due and payable for the period of delay in making payment which have been paid but beyond the appointed day during the year] but without adding the interest specified under the MSMED.	-	-
(E) Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-

The above information has been compiled in respect of parties to the extent to which they could be identified as Micro, Small and Medium Enterprises on the basis of information available with the Company.

	2018-19	2017-18
	₹	₹
6 SHORT TERM BORROWING		
UNSECURED LOANS		
Loan from a Director	141,500,000	133,900,000
Inter Corporate Deposits from Companies	-	90
Total	141,500,000	133,900,090
7 SHORT TERM PROVISIONS		
Provision for Gratuity	1,953,572	1,224,673
Provision for Leave Encashment	494,700	783,091
Provision for Taxation	22,238,333	8,458,740
Total	24,686,605	10,466,504
8 OTHER CURRENT LIABILITIES		
Advance from Customers	220,306	241,393
Interest accrued and due	163,319	165,719
Unclaim Fixed Deposit*	214,000	244,000
Payable to Statutory Authorities	3,707,817	2,372,486
Sundry Creditors for Fixed Assets	30,723	248,038
Other Payables	7,260,197	4,337,171
Total	11,596,361	7,608,807

Note 9 : Consolidated Fixed Assets

SR. NO.	DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION			NET BLOCK		
		AS AT	ADDITIONS	DEDUCTIONS	AS AT	AS AT	FOR THE YEAR	DEDUCTIONS/ ADJUSTMENT	AS AT	AS AT	AS AT
		01-Apr-17			31-Mar-19	01-Apr-18			31-Mar-19	31-Mar-19	31-Mar-18
	TANGIBLE ASSETS										
1	Leasehold premises	2,500,000	-	-	2,500,000	-	-	-	-	2,500,000	2,500,000
2	Furniture & Fixtures	36,499,599	8,976,811	1,118,053	44,358,357	29,452,470	3,110,318	980,272	31,582,516	12,775,841	7,047,129
3	Computers & Softwares	3,921,032	184,579	-	4,105,611	3,368,538	217,970	-	3,586,508	519,103	552,494
4	Office & Other Equipments	2,893,599	2,146,812	-	5,040,411	2,024,491	903,378	-	2,927,869	2,112,542	869,108
5	Electrical Installations	7,823,721	5,246,879	423,088	12,647,512	5,686,956	1,652,910	321,295	7,018,571	5,628,941	2,136,765
	Total	53,637,951	16,555,081	1,541,141	68,651,891	40,532,455	5,884,576	1,301,567	45,115,464	23,536,427	13,105,496
	Previous Year ₹	47,248,361	6,389,589	-	53,637,951	37,459,614	3,072,841	-	40,532,455	13,105,496	9,788,748
	INTANGIBLE ASSETS										
6	Software	3,543,202	353,077	-	3,896,279	1,543,798	1,354,333	-	2,898,131	998,148	1,999,404
	Total	3,543,202	353,077	-	3,896,279	1,543,798	1,354,333	-	2,898,131	998,148	1,999,404
	Previous Year ₹	1,451,467	2,091,735	-	3,543,202	1,215,593	328,205	-	1,543,798	1,999,404	235,874

Notes to Consolidated Financial Statements for the year ended 31st March 2019

	2018-19 ₹	2017-18 ₹
10 NON CURRENT INVESTMENTS		
Long term		
Trade - Unquoted		
i. Investment in Associates	100,000	100,000
10000 (Previous year 10000) equity shares of Out of India Retail Pvt Ltd. of Rs.10/- each fully paid up		
Add:- Capital Reserve on account of Consolidation of Associate Company	5,969,943	5,969,943
	6,069,943	6,069,943
Add:- Share of Net Profit on Consolidation of Associate	1,100,774	1,100,774
Total	7,170,717	7,170,717
<p>*Bombay Swadeshi Stores Limited (BSSL) has made its investment in Out of India Retail Pvt Ltd. BSSL holds 26.42% of the voting power and 8.28% of the ownership interest in Out of India Retail Pvt Ltd thereby making it a Associate Company. The balance 73.58% of voting power and 91.72% of ownership is held by Tourvest Holding (PTV) Limited, South Africa. As per the provisions of AS 23 Accounting for Associates in Consolidated Financial Statements it mandatory to consolidate the financials of the Associate Company as per the Equity Method of Consolidation. The routine affairs of Out of India Pvt Ltd is managed and handled by Tourvest Holding (PTV) Limited and BSSL has no role in the operations of Out of India Retail Pvt Ltd. There has been a dispute between the BSSL and Tourvest Holding (PTV) Limited upon which subsequently BSSL has entered into a Settlement Agreement dated 11th July 2019, wherein BSSL has agreed to sell its entire holding in Out of India Retail Pvt Ltd to Tourvest Holding (PTV) Limited. In view of the dispute with Tourvest Holding (PTV) Limited, South Africa BSSL do not have access to the financials of Out of India Retail Pvt Ltd and due to which we are not able consolidate the financials of Out of India Retail Pvt Ltd in our Consolidated Financials.</p>		
11 LONG TERM LOANS & ADVANCES		
MAT Credit Entitlement	-	1,645,848
	-	1,645,848
12 OTHER NON CURRENT ASSETS		
Building Improvement of Leasehold Premises	2,047,418	-
Total	2,047,418	-
13 CURRENT INVESTMENT		
Current - Trade Unquoted		
848.81 (Previous Year 805.81)units of ` 100/- each of ICICI Prudential Liquid Plan - Daily Dividend Option	81,625	59,168
Total	81,625	59,168
14 INVENTORIES		
Stock in Trade - Merchandise		
At cost or net realisable value whichever is lower	86,154,936	55,437,119
Total	86,154,936	55,437,119
15 TRADE RECEIVABLES		
(Unsecured, Considered Good)		
Due for more than six months from the due date of payment	34,741	25,305
Others	1,333,260	1,789,034
Total	1,368,001	1,814,339

Notes to Consolidated Financial Statements for the year ended 31st March 2019

	2018-19 ₹	2017-18 ₹
16 CASH AND BANK BALANCES		
Cash And Cash Equivalents	-	-
Cash on Hand	892,650	411,061
Current Accounts	9,867,354	38,587,663
Other balances		
Deposit with Bank	1,665,128	1,556,579
Total	<u>12,425,132</u>	<u>40,555,303</u>
17 SHORT TERM LOANS AND ADVANCES (Unsecured, considered good)		
Advance to Vendors	4,991,308	760,136
Balance with Government Authorities	6,240,809	1,118,289
Advance payment of taxes	20,973,559	6,470,576
Security & Other Deposits	44,993,960	25,023,635
Others	3,319,436	412,254
Total	<u>80,519,072</u>	<u>33,784,890</u>
18 OTHER CURRENT ASSETS		
Building Improvement of Leasehold Premises	882,347	-
	<u>882,347</u>	<u>-</u>
19 REVENUE FROM OPERATIONS		
Sales of Merchandise	397,750,416	303,923,039
Total	<u>397,750,416</u>	<u>303,923,039</u>
20 OTHER INCOME		
Interest	664,731	136,786
Dividend from Current Investments	22,456	3,673
Deemed Credit	-	2,139,064
Professional Fees Received	-	2,605,930
Miscellaneous receipts	286,475	292,625
Sundry balances written back	712,999	567,040
Total	<u>1,686,661</u>	<u>5,745,118</u>
21 PURCHASE OF STOCK IN TRADE		
Purchases of Merchandise	222,007,758	14,26,82,464
Total	<u>222,007,758</u>	<u>14,26,82,464</u>
22 CHANGE IN INVENTORIES OF STOCK IN TRADE		
Opening Stock	55,396,434	75,854,065
Closing Stock	86,154,936	55,396,434
(Increase)/Decrease	<u>(30,758,502)</u>	<u>20,457,631</u>

Notes to Consolidated Financial Statements for the year ended 31st March 2019

23 EMPLOYEE BENEFIT EXPENSES

Salaries, Allowances & Bonus	43,419,716	29,992,062
Provision for Gratuity	433,815	3,082,443
Provision for Leave Encashment	537,731	1,189,246
Contribution to Provided Fund & other Funds	3,218,331	2,207,863
Staff Welfare expenses	696,584	517,229
Total	<u>48,306,177</u>	<u>36,988,843</u>

24 FINANCE COST

Bank Charges	704,024	567,711
Credit Card Charges	3,802,012	3,055,314
Interest on Late Payment of taxes	594,240	522,986
Total	<u>5,100,276</u>	<u>4,146,011</u>

25 OTHER EXPENSES

Lease Rent	43,611,279	22,681,593
Repairs & Maintenance - Others	8,426,342	4,453,456
Legal & Professional Charges	2,867,827	1,481,099
Sales & Other Commission	16,684,537	14,039,821
House keeping Expenses	2,803,857	2,116,577
Security services charges	3,293,285	2,312,019
Travelling & Conveyance	1,737,168	1,011,574
Electricity & Fuel	6,097,500	5,693,175
Insurance	97,255	83,198
Printing & Stationery	1,592,928	790,681
Advertisements & Sales Promotion	4,902,932	4,292,646
Rates & Taxes	1,298,255	713,666
Packing Charges	3,060,246	2,549,200
Auditors Remuneration:		
Audit Fees	325,000	300,000
Tax Audit Fees	50,000	75,000
	<u>375,000</u>	<u>375,000</u>
Miscellaneous Expenses	4,390,029	3,963,833
Other Advances Written-off	-	25,083
Loss on Sale of fixed assets	91,890	-
Total	<u>101,330,329</u>	<u>66,582,623</u>

26. Details of Subsidiary and Associate Company

The Consolidated Financial Statements comprise the Financial Statement of the Parent Company, Bombay Swadeshi Stores Limited and the following subsidiary and Associate.

Name of the Subsidiary / Associate	Country of Incorporation	Proportion of Ownership Interest/ Voting Interest	Date of Investment
Bombay Store Retail Company Limited	India	100%	25/01/2008
[Subsidiary]			
Out of India Retail Private Ltd	India	26%*	29/03/2014
[Associate]			

*Refer foot note of note no. 10 Non Current Investment.

Notes to Consolidated Financial Statements for the year ended 31st March 2019

27. Contingent Liabilities:

In respect of Income Tax Assessment Proceedings for AY 2014-15 & AY 2015-16 ₹ 17,41,780/- & ₹ 12,45,390/- is assessed as payable in the Assessment Order u/s 143 (3) of The Income Tax Act, 1961 on account of disallowances of expenses. The Company has filed an appeal against the CIT (A) and received the order in favour on 24 July, 2019. The appeal giving effect of the said order is pending before Assessing Officer.

28. The Company considers its entire operations under single segment 'Retailing'. The Companies' operations are only in India.

29. Calculation of Earnings per Equity Share [EPS] :

Particulars			31-Mar-19	31-Mar-18
The numerators and denominators used to calculate the basic and diluted EPS are as follows :				
A	Profit/ (Loss) after tax attributable to Shareholders	₹	30,980,878	30,515,050
B	Basic and weighted average number of Equity shares	Nos.	4,940,000	4,940,000
C	Nominal value of equity share	₹	2	2
D	Basic EPS	₹	6.27	6.18
E	Diluted EPS	₹	6.27	6.18

30 DEFERRED TAX ASSETS

The breakup of deferred tax assets / liability

	Deferred tax asset/ (liability) as at 31-Mar-19 (₹)	Deferred tax asset/ (liability) as at 31-Mar-18 (₹)
A. Deferred Tax Assets		
Expenses allowable for tax purpose when paid	530,936	1,335,166
Difference between tax and Book Written Down Value	3,724,372	3,138,229
Unabsorbed Business Losses	-	-
	<u>4,255,307</u>	<u>4,473,395</u>
B. Deferred Tax Liability		
Difference between Book Written Down Value and tax	-	-
	<u>-</u>	<u>-</u>
C. Net Deferred Tax Assets	<u>4,255,307</u>	<u>4,473,395</u>

The Subsidiary Company has, on prudence not recognised Deferred Tax Assets ₹ 37,220,867/- (Previous year ₹ 36,842,326/-) mainly representing expenses allowable for tax purposes when paid and difference between tax and book written down value of fixed assets, due to uncertainty of future profits in terms of Accounting Standard 22 (AS-22) for Taxes on Income issued by The Institute of Chartered Accountants of India.

31. Related Party Disclosures

A. Relationship

I) Associate Company

Out Of India Retail Pvt Ltd

I) Key Management Personnel & Relatives:

Mrs.Madhu Chandak-Director

Mrs.Manjri Chandak-Director

Mrs.Jyoti Kabra-Director

II) Other Parties / Enterprises where control / significant influence exists.

Avenue Supermarts Limited

Related party relationship is as identified by the Company and relied on by the Auditors.

Notes to Consolidated Financial Statements for the year ended 31st March 2019

B. Details of Transactions with Related Parties.

Sr. No.	Nature of Transactions	Related Party Referred in		
		A (I)	A (II)	A (III)
i.	Expenditure			
	Rent Reimbursement	-	-	2,174,321
		(-)	(-)	(2,748,500)
	Electricity Expenses	-	-	96,216
		(-)	(-)	(214,807)
ii.	Income			
	Professional Fees Received	-	-	-
		(2,605,930)	(-)	(-)
iii.	Outstanding Balance			
	Loans & Advances	-	141,500,000	-
	received	(-)	(133,900,000)	(-)
	Trade Payable	-	-	(18,134)

Figures in brackets are for previous year.

32. Earning in Foreign Exchange

- i. Receipts on account of sale of merchandise ₹ 10,06,79,065/- (Previous year ₹ 72,375,064/-).

33. Previous year's figures have been regrouped / re-arranged / reclassified wherever necessary.

As per our Report of even dated
For BANSHI JAIN & ASSOCIATES
Chartered Accountants
 Reg No. 100990W

R. B. GOLECHA
Partner
 Membership No:035348

MUMBAI, 23rd August, 2019

Madhu Chandak
 Director

Manjri Chandak
 Director

Jyoti Kabra
 Director

MUMBAI, 23rd August, 2019

BOMBAY SWADESHI STORES LIMITED

CIN: U74999MH1905PLC000223

Registered Office: Western India House, Sir P. M. Road, Fort, Mumbai 400 001
Phone No. +91 22 22885048/49;

Corporate Office: 304, 3rd Floor, Hubtown Solaris, Prof NS Phadke Marg,
Opp TeliGali, Vijay Nagar, Andheri East, Mumbai- 400 069; Tel: +91 022 6835 1600

Email: investor@bombaystore.com; Website: www.thebombaystore.com

PROXY FORM

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

Name of the Member(s):

Registered address:

E-mail Id:

Folio No/ DP Id-Client Id::

I/ We being the member(s) of _____ shares of the Bombay Swadeshi Stores Limited hereby appoint:

1. Name: _____
Address: _____
E-mail Id: _____
Signature: _____ or failing him;
2. Name: _____
Address: _____
E-mail Id: _____
Signature: or failing him; _____
3. Name: _____
Address: _____
E-mail Id: _____
Signature: _____

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/our behalf at the 113th Annual General Meeting of the Company to be held on Saturday, 28th September, 2019 at 11.00 a.m. at Bombay Swadeshi Stores Limited, Block No. 10, First Floor, Western India House Building, Fort, Mumbai - 400001 and at any adjournment thereof in respect of resolutions, as indicated below

Item No.	Description	Type of resolution (Ordinary / Special)	I / We assent to the resolution (For)	I / We dissent to the resolution (Against)
1.	To receive, consider and adopt the Standalone & Consolidated Audited Accounts of the Company along with the reports Board of Directors and of the Auditors thereon for the financial year ended 31st March, 2019.	Ordinary		
2.	Re-appointment of Mrs. Manjri Aditya Chandak (DIN:03503615), who retires by rotation and being eligible, has offered herself for re-appointment	Ordinary		
3.	To approve the power to create charge on the assets of the company to secure borrowings up to Rs.100,00,00,000/- (Rupees One Hundred Crore Only) pursuant to section 180(1) (a) of the companies Act, 2013.	Special		
4.	To approve power to borrow funds pursuant to the provisions of section 180(1)(c) of the Companies Act, 2013 not exceeding Rs. 100,00,00,000/- (Rupees One Hundred Crore Only).	Special		
5.	To approve the power to grant loan/guarantee/security in connection with a loan and/or to make investment up to Rs. 40,00,00,000/- (Rupees Forty Crore Only) pursuant to section 186 of the companies Act, 2013.	Special		
6.	To provide approval for Material Related Party Transactions.	Ordinary		

Signed this day of 2019.

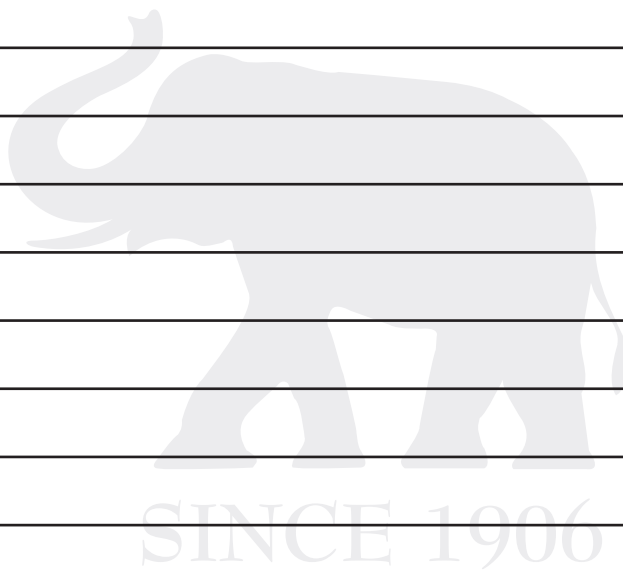
Signature of shareholder(s): _____

Signature of Proxy holder(s): _____

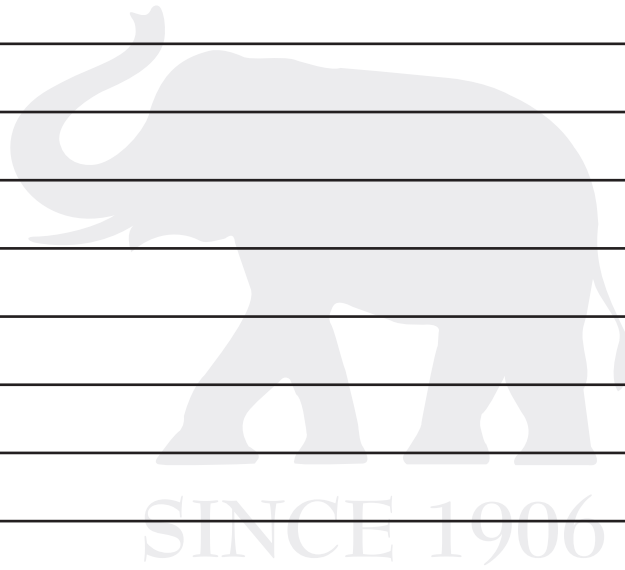
Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the Commencement of the Meeting.

- A Proxy need not be a member of the Company.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

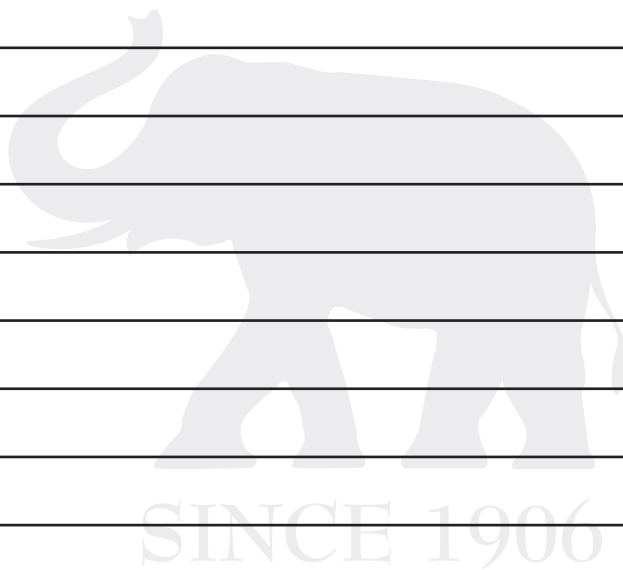
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**Regd. Office: Western India House, Sir P.M. Road, Fort, Mumbai - 400001
Tel: +9122 22 885048/49**