

10th
ANNUAL REPORT
2022-2023



ADD-SHOP E-RETAIL LIMITED

[CIN: L51109GJ2013PLC076482]

CIN: L51109GJ2013PLC076482

Annual General Meeting (AGM)
Saturday, 30th September, 2023

**Through: Video Conferencing
("VC")/ Other Audio Visual
Means (OAVM)**

Time
03:00 P.M (IST)

Registrar and Share Transfer Agent
Cameo Corporate Services Limited
Subramanian Building,
1, Club House Road,
Chennai – 600 005
Ph.: 044-28460390

Statutory Auditor (2022-23)
M/s J S Maheshwari & Co
(Resigned 08.08.2023)
205, Solitiare, Opp Bombay Garage,
Under Bridge, Shahibaug,
Ahmedabad-380004.

Secretarial Auditor
M/s H. T. Lodhiya & Associates
604, 06th Floor, The City Center,
Raiya Road, Rajkot 360007.

Registered Office: B-304, Imperial Height, 150 Ft Ring Road, Rajkot – 360005

Email: investor@addshop.co

Tel. No. 0281-2363023

Web Site: www.addshop.co

Board of Directors

DINESHBHAI BHANUSHANKAR PANDYA
Managing Director

JAYSHREE DINESHBHAI PANDYA
Non-Executive director

PRADIPKUMAR HARJIBHAI LATHIYA
Chief Financial Officer (Appointed w.e.f. 19.08.2023)

DHAVAL SURESHKUMAR RAYCHURA
Company Secretary (appointed w.e.f 01.09.2023)

RAJESHKUMAR RASIKLAL PAREKH
Independent Director

VIVEK GOPALBHAI DADHANIA
Independent Director

KINJAL JASMATBHAI KHUNT
Independent Director

Internal Auditor:
M/s. PRINCY MEHTA & ASSOCIATES

Banker: Axis Bank Limited
Kalawad Road Branch Rajkot

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NOTICE OF 10th ANNUAL GENERAL MEETING

Notice is hereby given that the 10th Annual General Meeting of the members of **ADD-SHOP E-RETAIL LIMITED** will be held on **Saturday, 30 September, 2023** at **03:00:P.M.** through Video Conferencing (“VC”)/Other Audio Visual Means (OAVM), to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statement of the Company for the Financial Year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon;

2. Appointment of a Director retiring by rotation:

To appoint a Director in place of **Mrs. JAYSHREE DINESHBHAI PANDYA (DIN: 06647308)**, who retires by rotation, and being eligible, offers herself for re-appointment.

“RESOLVED THAT pursuant to the provisions of Section 152(6) read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013, the approval of the members of the Company be, and is hereby accorded to appointment of **Mrs. JAYSHREE DINESHBHAI PANDYA (DIN: 06647308)**, as a Director, to the extent that he is required to retire by rotation.”

Special Business:

3. Appointment of Statutory Auditor:

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

“RESOLVED THAT pursuant to the provisions of Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), **M/s. H T A And Associates (FRN: 120457W), Chartered Accountants, RAJKOT** be and are hereby appointed as Statutory Auditor of the Company to fill the casual vacancy caused by the resignation of M/s. J S Maheshwari & Co (FRN: 001318C), Chartered Accountants, AHMEDABAD.

“RESOLVED FURTHER THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification, amendment or enactment thereof, for the time being in force) and other applicable provisions, if any and pursuant to the recommendation of the Audit Committee and Board of Directors of the Company, M/s. H T A And Associates (FRN: 120457W), Chartered Accountants, RAJKOT be and are hereby appointed as the Statutory Auditor of the Company, for a term of five consecutive years to hold the office from the conclusion of this 10th Annual General Meeting till the conclusion of the 15th Annual General Meeting of the Company at such remuneration plus applicable taxes and reimbursement of out-of-pocket expenses in connection with the Audit as may be mutually agreed between the board and Auditors.”

RESOLVED FURTHER THAT any Director of the Company, be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to above resolution.”

4. To approve related Party Transactions with M/s. Dada Organics Limited (Formerly known as Dada Organics Private Limited).

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

“RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and the Company’s policy on Related Party transaction(s), approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) of purchase or/and sale of products/goods with M/s. Dada Organics Limited (Formerly known as Dada Organics Private Limited), a Company in which directors are interested directly or through their relative being a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm’s length basis and in the ordinary course of business of the Company.

Sr. No.	Name of the Related Party with whom transaction is being undertaken and Nature of relationship	Nature of Transaction	Total amount of transaction proposed	Name of director or Key managerial personnel who is related
01	M/s. Dada Organics Limited (Formerly known as Dada Organics Private Limited) a Company in which Key Management Personnel exercise Significant influence	Sale and/or Purchase of products/goods/raw material/ assets	Not more than Rs. 250 Crores (Rupees Two Hundred Fifty Crore Only)	Dineshbhai Bhanushankar Pandya and Jayshree Dineshbhai Pandya

“RESOLVED FURTHER THAT, the total value of contracts/ arrangement/ transactions of purchase and/or sale of products/goods with M/S. Dada Organics Limited (Formerly known as Dada Organics Private Limited) in any financial year should not exceed Rs. 250 Crore.”

"RESOLVED FURTHER THAT the Board of Directors be and is hereby severally authorized to perform and execute all such acts, deeds, matters and things including delegate such authority, as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected herewith or incidental hereto."

5. To approve related Party Transactions with M/s. Dadaji Lifescience Private Limited.

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

“RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and the Company’s policy on Related Party transaction(s), approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) of purchase or/and sale of products/goods with M/s. Dadaji Lifescience

Private Limited, a Company in which directors are interested directly or through their relative being a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

Sr. No.	Name of the Related Party with whom transaction is being undertaken and Nature of relationship	Nature of Transaction	Total amount of transaction proposed	Name of director or Key managerial personnel who is related
01	M/s. Dadaji Lifescience Private Limited) a Company in which Key Management Personnel exercise Significant influence	Sale and/or Purchase of products/goods/ Raw Material/assets	Not more than Rs. 100 Crores (Rupees One Hundred Crore Only)	Deviben Dineshbhai Pandya, Dev Dineshbhai Jigar Dineshkumar Pandya,

“RESOLVED FURTHER THAT, the total value of contracts/ arrangement/ transactions of purchase and/or sale of products/goods with M/s. Dadaji Lifescience Private Limited in any financial year should not exceed Rs. 100 Crore.”

"RESOLVED FURTHER THAT the Board of Directors be and is hereby severally authorized to perform and execute all such acts, deeds, matters and things including delegate such authority, as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected herewith or incidental hereto."

6. Borrowing of monies in excess of the prescribed limit in terms of the provisions of Section 180(1) (c) of the Companies Act, 2013

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

“RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, the consent of members, be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as

“the Board” which term shall be deemed to include any Committee thereof) to borrow any sum or sums of money from time to time, for the purpose of the Company on such terms and conditions and with or without security as the Board of Directors may in its discretion think fit, notwithstanding that the money or monies to be borrowed together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company’s Banker in the ordinary course of Business) may exceed the aggregate paid up share capital of the Company and its free reserves provided however that the total borrowings outstanding at any one time including the monies already borrowed shall not exceed a sum of Rs.50 Crore (Rupees Fifty Crore only) at any time.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to finalise, settle and execute such documents/ deeds/ writings/ papers/ agreements as may be required and do all such acts, deeds, matters and things, as it may, in its absolute discretion deem necessary, proper or requisite.”

7. To increase the Authorised Share Capital of the Company:

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

RESOLVED THAT pursuant to the provisions of Section 13, 61 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification (s) and reenactment (s) thereof for the time being in force) and the rules framed thereunder, consent of the Members be and is hereby accorded to increase the Authorized Share Capital of the Company from the present Rs. 35,00,00,000/- (Rupees Thirty Five Core only) divided into 3,50,00,000 (Three Crore Fifty Lakhs) Equity Shares of Rs. 10/- (Rupee Ten) each to Rs. 60,00,00,000/- (Rupees Sixty Crore only) divided into 6,00,00,000 (Six Crore) Equity Shares of Rs. 10/- (Rupee Ten) each.

” RESOLVED FURTHER THAT the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V thereof by the following new Clause V as under:

V. The Authorised Share Capital of the Company is Rs. 60,00,00,000/- [Indian Rupees Sixty Crore Only] divided into 6,00,00,000 [six Crore Only] Equity Shares of Rs.10/- [Indian Rupees Ten Only] each.

ADD-SHOP E-RETAIL LIMITED

B-304 IMPERIAL HEIGHT, 150FT RING ROAD, Rajkot, RAJKOT, Gujarat, India, 360005

Contact: 0281 – 2363023 E-Mail : investor@addshop.co

CIN : L51109GJ2013PLC076482

RESOLVED FURTHER THAT any of the Directors of the Company or the Company Secretary or such other person as authorized by the Board, be and are hereby authorized severally to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Date: 05/09/2023

Place: Rajkot

**By order of the Board of Directors
For & on behalf of the Add-Shop E-Retail Limited**

**DINESHBHAI BHANUSHANKAR PANDYA
(Managing Director)
DIN : 06647303**

NOTES:

1. The general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide its Circular No. 02/2022 dated May 05, 2022, 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by the Securities and Exchange Board of India (SEBI) (“the Circular”), permitted convening the Annual General Meeting (“AGM” / “Meeting”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without physical presence of the members at a common venue. The forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. The Statement pursuant to Section 102 of the Companies Act, 2013, Secretarial Standard-2 on General Meetings and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to the Special Business set out in the Notice is annexed.
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

7. All documents referred to in the accompanying Notice to the Members and the Explanatory Statement are available for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, Sundays and public holidays, during working hours up to and including the date of the AGM.

8. The Registers of Members and Share Transfer Books of the Company will remain closed from **Saturday, 23 September, 2023 to Saturday, 30 September, 2023** (both days inclusive)

9. Members as on the **cut-off date of Saturday, 23 September, 2023** shall only be entitled for availing the remote E-voting facility and E-voting facility during the AGM. A person who is not a Member on the cut-off date should accordingly treat this Notice for information purposes only and attend the AGM through VC/OAVM and shall not be entitled to any voting rights.

10. Since the AGM is held through VC/OAVM, where physical attendance of members in any case has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by members will not be available for this meeting and hence requirement of attaching the Proxy Form and Attendance Slip has been dispensed herewith and not annexed to this Notice.

11. Corporate Members intending to send their authorized representative(s) to attend the meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a Certified True Copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf to the scrutinizer by email to hetusc@rediffmail.com. The authorized representative(s) shall enjoy all the rights of a Member for the purpose of voting through remote e-voting or for participation and voting in the meeting held through VC /OAVM.

12. A person can be an authorized representative of more than one Body Corporate. In such a case, he is treated as more than one Member present in person for the purpose of the quorum.

13. In Compliance with MCA Circulars dated 8th April 2020, 13th April 2020 and 05th May 2020 and SEBI Circular dated 12th May, 2020, members may kindly note that sending of Physical Copies of Annual Report to Members have been dispensed with and is being sent through electronic mode to those members whose e-mail addresses are registered with the Company or Depositories. Members may also note that the Notice of the 10th AGM and the Annual Report will be available on the Company's website www.addshop.co and can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and disseminated on the website of CDSL at

www.evotingindia.com.

14. Pursuant to the MCA Circulars and SEBI Circular, in view of the prevailing situation, owing to the difficulties involved in dispatching of physical copies of the Notice of the 10th AGM and the Annual Report for the year ended March 31, 2023 including therein the Audited Financial Statements for the Financial Year 2022-2023, are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the 10th AGM and the Annual Report for the Financial Year 2022-2023 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:-

a. For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your Folio No., Name of shareholder scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company at investor@addshop.co or Company's Registrar and Transfer Agent, Cameo Corporate Services Limited at cameo@cameoindia.com.

b. For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.

15. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

16. Members holding shares in dematerialised mode are requested to intimate all changes pertaining to their bank details, NECS, mandates, nominations, power of attorney, change of address/name, PAN details, etc to their Depository Participant only and not to the Company's Registrars and Transfer Agents. Changes intimated to the Depository Participant will then be automatically reflected in the records of the Registrars and Transfer Agents which will help the Company and its Registrars and Transfer Agents to provide efficient and better service to the Members.

17. Members whose shareholding is in physical form are requested to inform change in address or bank mandate to the Registrar and Transfer Agent i.e. Cameo Corporate Services Limited or the Company Secretary of the Company by a written request duly signed by the Member for receiving all communication in future.

18. Members desiring any information relating to the accounts are requested to write

to the Company at least ten days before the AGM so as to enable the management to keep the information available at the AGM.

19. In accordance with the amendments to Regulation 40 of the Listing Regulations, Securities and Exchange Board of India (SEBI), decided that requests for effecting transfer of listed securities shall not be processed unless the securities are held in dematerialized form with a Depository (National Securities Depository Limited or Central Depository Services (India) Limited). Members holding shares in Physical Form are requested to consider converting their holding to dematerialized Form in order to eliminate all risks associated with physical shares. Members can contact the Registrar and Share Transfer Agent (RTA) in this regard. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their Demat accounts.

20. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in Physical Form can submit their PAN details to the Company's Registrar and Transfer Agent i.e. Cameo Corporate Services Limited or the Company Secretary of the Company.

21. Additional Information required to be furnished under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Secretarial Standards-2 with respect of the Director(s)/Manager seeking appointment/re-appointment at the AGM has been furnished and forms a part of the notice. The director(s)/manager has furnished the requisite consents/declarations for their appointment/re-appointment.

22. Since the AGM is held through VC/OAVM, the Route Map is not annexed in this Notice.

23. The facility of participation at the AGM through VC/OAVM will be made available to maximum 1000 members on first come first served basis. This will not include large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on

account of first come first served basis.

24. M/s. H. T. LODHIYA & ASSOCIATES Company Secretary (Mem. No. F11885), Rajkot has been appointed as the Scrutinizer to scrutinize the remote e-Voting process and casting vote through the e-Voting system during the meeting in a fair and transparent manner.

25. During the 10th AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the 10th AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the 10th AGM and announce the start of the casting of vote through the e-Voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be closed with the formal announcement of closure of the 10th AGM.

26. The Scrutinizer shall after the conclusion of e-Voting at the 10th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the 10th AGM, who shall then countersign and declare the result of the voting forthwith.

27. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.addshop.co and on the website of CDSL at www.evotingindia.com immediately after the declaration of Results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

28. Voting through electronic means

In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Company is pleased to provide Members facility to exercise their right to vote at the 10th AGM by electronic means ("e-voting") and business may be transacted through remote e-voting (e-voting from a place other than venue of the AGM,) services provided by Central Depository Services (India) Limited (CDSL) for the resolutions set forth in this Notice. It is hereby clarified that it is not mandatory for a

Member to vote using the remote e-voting facility and a Member may avail facility at his/her discretion, subject to compliance with the instructions for remote e -voting given below:

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E- VOTING DURING AGM/EGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

(i) The voting period begins on **Wednesday, 27 September, 2023 at 09:00 A.M. and ends on Friday, 29 September, 2023 at 05:00 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 Saturday, 23rd September, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the Demat account holders, by way of a single login credential, through their Demat accounts/ websites of Depositories/ Depository Participants.** Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are advised to

update their mobile number and email Id in their Demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<p>1) Users of who have opted for CDSL’s Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e- Voting service provider i.e. CDSL/ NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers’ site directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.</p>
Individual Shareholders holding securities in demat mode with NSDL	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is</p>

	<p>available at https://eservices.nsdl.com. Select “Register Online for IDEAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e- Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider’s website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

Login type	Helpdesk details
<p>Individual Shareholders holding securities in Demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542- 43.</p>
<p>Individual Shareholders holding securities in Demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>

(v) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

- 1) The shareholders should log on to the e-voting website.
www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual 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"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
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 (v).

(vi) After entering these details appropriately, click on “SUBMIT” tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.

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

(ix) Click on the EVSN for the relevant <Add-Shop E-Retail Limited> on which you choose to vote.

(x) 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.

(xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xii) 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.

(xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

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

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

(xvi) Facility for Non – Individual Shareholders and Custodians –Remote Voting

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- 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.

- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; csniraj.addshop@gmail.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops/ IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 3 days prior to meeting mentioning their name, Demat account number/folio number, email id, mobile number at investor@addshop.co. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 3 days prior to meeting mentioning their name, Demat account number/folio number, email id, mobile number at investor@addshop.co. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.

2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to **Company/RTA email id**.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e- Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

Date: 05/09/2023

Place: RAJKOT

**By order of the Board of Directors
For & on behalf of the Add-Shop E-Retail Limited**

**DINESHBHAI BHANUSHANKAR PANDYA
(Managing Director)
DIN : 06647303**

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013 FORMING PART OF THE NOTICE:

3. Appointment of Statutory Auditor

M/s. J S Maheshwari & Co (FRN: 001318C), Chartered Accountants, Ahmedabad have tendered their resignation from the position of Statutory Auditors due to their busy schedule and heavy work load, they would be unable to continue as a Statutory Auditor, they are not in a position to devote their time to the affairs of the Company., so on the behalf of company and resulting into a casual vacancy in the office of Statutory Auditors of the company as envisaged by section 139(8) of the Companies Act, 2013 ("Act"). Casual vacancy caused by the resignation of auditors can only be filled up by the Company in Annual general meeting. Board proposes that M/s. H T A And Associates (FRN: 120457W), Chartered Accountants, RAJKOT, be appointed as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. J S Maheshwari & Co (FRN: 001318C), Chartered Accountants, Ahmedabad.

M/s. H T A And Associates (FRN: 120457W), Chartered Accountants, RAJKOT, have conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013.

The tenure of M/s. H T A And Associates (FRN: 120457W), Chartered Accountants, RAJKOT is up to the 10th Annual General Meeting (AGM) of the Company. Considering their expertise and effective contribution, the Board of Directors of the Company has proposed to the shareholders the appointment of M/s. H T A And Associates (FRN: 120457W), Chartered Accountants, RAJKOT for a period of 5 consecutive years, starting from the conclusion of this 10th AGM until the 15th Annual General Meeting (AGM) of the Company.

Accordingly, Ordinary Resolution is submitted to the meeting for the consideration and approval of members.

None of the Directors, Key Managerial Persons or their relatives, in any way, concerned or interested in the said resolution.

04. Approval for Related Party Transactions With M/s. Dada Organics Limited (Formerly known as Dada Organics Private Limited)

To ensure stability of purchase or Sale of goods, raw materials your Company proposes to enter into transaction(s) with M/s. Dada Organics Limited (Formerly known as Dada Organics Private Limited), the quantity to be purchased from or sold to M/s. Dada Organics Limited (Formerly known as Dada Organics Private Limited) will be based on arm's length price. The total value

from M/s. Dada Organics Limited (Formerly known as Dada Organics Private Limited) of the proposed transaction(s) could reach up to maximum 250 Crore.

The Members are apprised that pursuant to the Section 188 of the Act and applicable Rules framed there under provide that any Related Party Transaction will require prior approval of shareholders through ordinary resolution, if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the Company as per last audited financial statements of the Company.

Accordingly, transaction(s) entered into with M/s. Dada Organics Limited (Formerly known as Dada Organics Private Limited) comes within the meaning of Related Party transaction(s) in terms of provisions of the Act, applicable Rules framed there under read with the Listing Regulations. Hence, approval of the shareholders is being sought for the said Related Party Transaction(s) proposed to be entered into by your Company with M/s. Dada Organics Limited (Formerly known as Dada Organics Private Limited).

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, a particular of the transaction(s) with M/s. Dada Organics Limited (Formerly known as Dada Organics Private Limited) is as follows:

SR NO	PARTICULARS	REMARKS
1	Name of the Related Party	Dada Organics Limited (Formerly known as Dada Organics Private Limited).
2	Name of the Director or KMP who is related	Dineshbhai Bhanushankar Pandya, Jayshree Dineshbhai Pandya,
3	Nature of Relationship	All the above directors are also directors in the company and related to each other
4	Nature, duration, material terms, monetary value and particulars of the contract or arrangement	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time in the ordinary course of business and on an arms' length basis.
5	Any advance paid or Received the contract or arrangement, if any	Nil
6	The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract	In the ordinary course of business and on an arms' length basis.
7	Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the	NIL

	rationale for not considering those factors;	
8	Any other information relevant or important for the members to take a decision on the proposed resolution	NONE

The Board is accordingly proposing this resolution for the consideration of the Members other than the members being related parties and interested in the transaction and thereby prohibited to vote as per the provisions of Section 188 of the Act for passing the Resolution as set out in the above Notice. The Board of Directors recommends passing of the resolution as set out at item No. 04 of this Notice as an Ordinary Resolution.

5. To approve related Party Transactions with M/s. Dadaji Lifescience Private Limited.

To ensure stability of purchase or Sale of goods, your Company proposes to enter into transaction(s) with M/s. Dadaji Lifescience Private Limited, the quantity to be purchased from or sold to M/s. Dadaji Lifescience Private Limited will be based on arm's length price. The total value from M/s. Dadaji Lifescience Private Limited of the proposed transaction(s) could reach up to maximum 100 Crore.

The Members are apprised that pursuant to the Section 188 of the Act and applicable Rules framed there under provide that any Related Party Transaction will require prior approval of shareholders through ordinary resolution, if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the Company as per last audited financial statements of the Company.

Accordingly, transaction(s) entered into with M/s. Dadaji Lifescience Private Limited comes within the meaning of Related Party transaction(s) in terms of provisions of the Act, applicable Rules framed there under read with the Listing Regulations.

Hence, approval of the shareholders is being sought for the said Related Party Transaction(s) proposed to be entered into by your Company with Dadaji Lifescience Private Limited.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, a particular of the transaction(s) with M/s. Dadaji Lifescience Private Limited is as follows:

SR NO	PARTICULARS	REMARKS
1	Name of the Related Party	Dadaji Lifescience Private Limited
2	Name of the Director or KMP who is related	Deviben Dineshbhai Pandya, -related to director Dev Dineshbhai Pandya, -related to director Jigar Dineshkumar Pandya, -related to director

3	Nature of Relationship	All the above directors are Relative of Managing Director in the company and related to each other
4	Nature, duration, material terms, monetary value and particulars of the contract or arrangement	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time in the ordinary course of business and on an arms' length basis.
5	Any advance paid or Received the contract or arrangement, if any	Nil
6	The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract	In the ordinary course of business and on an arms' length basis.
7	Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors;	Nil
8	Any other information relevant or important for the members to take a decision on the proposed resolution	None

The Board is accordingly proposing this resolution for the consideration of the Members other than the members being related parties and interested in the transaction and thereby prohibited to vote as per the provisions of Section 188 of the Act for passing the Resolution as set out in the above Notice. The Board of Directors recommends passing of the resolution as set out at item No. 05 of this Notice as an Ordinary Resolution.

06. Borrowing of monies in excess of the prescribed limit in terms of the provisions of Section 180(1) (c) of the Companies Act, 2013

In terms of the provisions of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of a public limited company cannot, except with the consent of the Company/members in General Meeting by a special resolution, borrow monies (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) in excess of the aggregate of the paid-up share capital and free reserves, that is to say, reserves not set apart for any specific purpose.

In view of the expanding activities of the Company, it is anticipated that the fund requirement of the Company may substantially grow by approximately 50 crores. Therefore, the consent of

the Members by way of special resolution is sought under Section 180(1)(c) of the Companies Act, 2013, for increasing the borrowing limit to Rs. 50 crore (Rupees Fifty Crore only) to cover the further requirement of borrowings.

The Board of Directors of the Company at its Meeting held on 31st August, 2022 has approved the above proposal and recommends the passing of the proposed Special Resolution as contained in Item No. 06 in the Notice, by Members of the Company.

07. To Increase in Authorized Share Capital of the company:

To increase Authorized Capital of the Company from Rs.35,00,00,000/- (Rs. Thirty Five Crore Only) to Rs. 60,00,00,000/- (Rs. Sixty Crore Only) by Alteration of the Capital Clause V of the Memorandum of Association. At present the Authorized Share Capital of the Company is Rs. 35,00,00,000/- (Rs. Thirty Five Crore Only) divided into 3,50,00,000 (Three Crore Fifty Lakhs) equity shares of the face value of Rs. 10/- (Rs. Ten Only) each out which paid up share capital of the Company is Rs. 28,31,29,560/- (Rs. Twenty Eight Crore Thirty One Lakhs Twenty Nine Thousand Five Hundred Sixty Only) divided into 2,83,12,956 (Two Crore Eighty Three Lakhs Twelve Thousand Nine Hundred Fifty Six Only) equity shares of Rs.10/- (Rs.Ten Only) each.

The Company proposes to increase its authorized share capital from Rs. 35,00,00,000/- (Rs. Thirty Five Crore Only) divided into 3,50,00,000 (Three Crore Fifty Lakhs) equity shares of the face value of Rs.10/- (Rs Ten Only) each to Rs. 60,00,00,000/- (Rs. Sixty Crore Only) divided into 6,00,00,000 (Six Crores Only) equity shares of the face value of Rs. 10/- (Rs.Ten Only) each by creation of additional capital of Rs. 25,00,00,000 (Rs. Twenty Five Crore Only) divided into 2,50,00,000 (Two Crore Fifty Lakhs only) equity shares of the face value of Rs. 10/- (Rs. Ten Only) each.

Further, in view of increasing the Authorized Share Capital it is also necessary to amend Clause V of the Memorandum of Association to increase the Authorized Share Capital.

New Clause V : The Authorized Shares Capital of the company is Rs. 60,00,00,000/- (Rs. Sixty Crore Only) divided into 6,00,00,000 (Six Crore Only) equity shares of the face value of Rs. 10/- (Rs. Ten Only) each

As per the provisions of Sections 13 & 61 of the Companies Act, 2013, approval of the shareholders is required /accorded for alteration in the Memorandum of Association and for increasing the Authorized Share Capital of the Company by way of passing an ordinary Resolution. Accordingly, the Directors recommend the matter and the resolution set out under Item no. 7 for the approval of the Members by way of passing a Special Resolution. Pursuant to Section 102 of Companies Act, 2013, The Board of Directors of the Company do hereby confirm that none of its Directors, Key Managerial Personnel and relatives thereof are interested, financially or otherwise in the aforesaid resolution except their shareholding in the Company.

ADD-SHOP E-RETAIL LIMITED**B-304 IMPERIAL HEIGHT, 150FT RING ROAD, Rajkot, RAJKOT, Gujarat, India, 360005****Contact: 0281 – 2363023 E-Mail : investor@addshop.co****CIN : L51109GJ2013PLC076482**

The Board of Directors are of the opinion that the increase in Authorized Share Capital of the company is in the best interest of the Company and accordingly, recommend the resolution set out in Item No. 07 for approval of the members. Hence the said Special is recommended for your approval.

ANNEXURE TO ITEM NO- 2 OF THE NOTICE

**Details of Director seeking re-appointment at the 10th Annual General Meeting
[In pursuance of Regulation 36(3) of SEBI (Listing obligation and Disclosure Requirements)
Regulations, 2015 (“SEBI Listing Regulations”)]**

Name of the Director	JAYSHREE DINESHBHAI PANDYA
DIN	06647308
Date of Birth	10/05/1972
Nationality	INDIAN
Date of first appointment in the current designation	25/12/2017
Qualification	Undergraduate
Experience	She has knowledge in the field of Administration of the company.
Shareholding in the Company: Number of Equity Shares	5,85,702 shares
Terms and conditions of appointment or re-appointment along with details of remuneration	There is no any change in remuneration. It is same as paid in year 2022-23
Remuneration last drawn	As mentioned in annual return
No. of Meeting of the Board attended during the year	All
Directorships* of other Companies (Excluding Add-Shop e-retail Limited)	1. DADA ORGANICS LIMITED (Formerly known as Dada Organics Private Limited) CIN: U01110GJ2017PLC098899
Membership/Chairmanship of Committee of other Companies	--
Inter-se relationships between: <ul style="list-style-type: none"> • Directors • Key Managerial Personnel 	Wife of Mr. DINESHBHAI BHANUSHANKAR PANDYA

***Directorship includes all the companies incorporated in India.**

Date: 05/09/2023**Place: Rajkot**

**By order of the Board of Directors
For & on behalf of the Add-Shop E-Retail Limited**

**DINESHBHAI BHANUSHANKAR PANDYA
(Managing Director)
DIN : 06647303**

DIRECTOR'S REPORT

**To,
Members
Add-Shop E-Retail Limited**

The Directors take pleasure in presenting the **10th Annual Report** together with Audited Financial Statements and Auditors' Report of the company for the year ended on **31st March, 2023** which they trust, will meet with your approval.

Financial Results:

(Figures in Lakhs)

PARTICULARS	YEAR ENDED 31.03.2023	YEAR ENDED 31.03.2022
Income for the year	19988.41	15965.31
Other Income	-	-
Total Income	19988.41	15965.31
Profit/Loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	2902.46	2491.09
Less: Depreciation & Amortization Expenses	54.21	46.33
Profit/loss before Finance Costs, Exceptional items and Tax Expense	2848.25	2444.76
Less: Finance Cost	99.82	99.48
Profit/loss before Exceptional items and Tax Expense	2748.43	2345.28
Add/(less): Exceptional items	0	0
Profit/loss before Tax Expense	2748.43	2345.28
Less: Tax Expense:		
Current Tax	680.37	428.70
Short /Excess Provision of Previous Year	145.02	0.00
Deferred Tax	6.79	7.90
Profit/loss for the year (1)	1916.25	1908.68
Total Comprehensive Income/ loss (2)	0	0
Total (1+2)	1916.25	1908.68
Earnings per share (Face value Rs. 10/-) Basic & Diluted (In Rupees)	7.86	9.91

Dividend:

Your Directors do not recommend payment of any Dividend for the Financial year ended 31st March, 2023, in order to conserve the resources of the Company, The Company will retain the

earning for use in the future operations & Projects and strive to increase the net worth of stakeholders of the Company.

Operations:

The total revenue during the year has been Rs. **19988.41** lakhs compared to Rs. **15965.31** lakhs in the previous financial year. The percentage of growth during the year as compared to last year is 25.19%. The Company's Profit for the year before Depreciation and Finance Costs, Exceptional items and Tax has been Rs. **2902.46** lakhs (P.Y. Rs. **2491.09** lakhs) and the Net Profit after interest, depreciation, prior period adjustments & taxes are Rs. **1916.25** lakhs (P.Y. Rs. **1908.68** lakhs) profit for the year has been jumped by 0.40 % as compared to last year.

The EPS of the Company for the year 2022-23 is Rs. **7.86**.

Transfer to Reserve:

The Board of Directors of your company has decided not to transfer any amount to the Reserves for the year under review.

Share capital:-

Authorised Share Capital

The Authorised Share Capital as at 31st March, 2023 stood at Rs. 35,00,00,000 i.e. 3,50,00,000 equity shares of Rs. 10/- each.

During the year the Company has increase authorized share capital from INR 22,50,00,000/- (Indian Rupees Twenty Two Crores Fifty Lacs Only) to INR 35,00,00,000/- (Indian Rupee Thirty Five Crores Only) by way of approvals of members in EGM held on Saturday, April 09, 2022.

Paid Up Share Capital

The Paid Up Share Capital as at 31st March, 2023 stood at Rs. 28,31,29,560/- i.e. 2,83,12,956 equity shares of Rs. 10/- each. During the year under review, the Company has made allotment by way of right issue of Equity Shares 90,56,255 (Ninety Lakhs Fifty Six Thousand and Two hundred Fifty Five Only) of Rs. 10 each for cash at a price of Rs 54/- in a ratio of 1:1 on 06th Day of September, 2022.

Alteration of Memorandum of Association:

During the year under review, the company has made alteration in the Memorandum of Association of the company by increasing the Authorised Share Capital from INR 22,50,00,000/- (Indian Rupees Twenty Two Crores Fifty Lakhs Only) divided into 2,25,00,000 Equity Shares of

INR 10.00 each to INR 35,00,00,000/- (Indian Rupees Thirty Five Crores Only) by way of necessary approvals of members through passing of Special resolution passed at Extraordinary General Meeting (EOGM) of the Company held as on 09th Day of April, 2022

Alteration of Articles of Association:

During the year under review, there is no alteration made in Articles of Association (AOA) of the Company.

Particulars of Loans, Guarantee or Investments:

The Company has not advanced any loans or given any guarantees or provided security covered under the provisions of section 186 of the Companies Act, 2013 during the financial year 2022-23.

Loans from director/ relative of director:

The balances of monies accepted by the Company from Directors / relatives of Directors at the beginning of the year were NIL and at the close of year was NIL.

Change(s) in the nature of business, if any:

During the year under review, there is no change in the nature of the business of the company.

Change in Name of Company:

During the year under review, no any change in Name of the company.

Material changes and commitments, if any, affecting the financial position of the company, having occurred since the end of the year and till the date of the report:

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Directors' Report.

Listing:

The shares of the company are listed and traded on BSE Limited. The ISIN of the company is INE01B501018 and script code of the company is 541865. Further the company had paid annual listing fees for the financial year 2023-2024.

Details of Holding / Subsidiary Companies / Joint Ventures / Associate Companies:

During the year under review, there was no holding / Subsidiary Company / Joint Ventures / Associate Companies.

Public Deposits:

In terms of Section 73 to 76 of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014, your Company has not accepted any public deposits or no amount of principal or interest was outstanding as on date of the Balance sheet during the year under review.

Details of Significant and Material Orders passed by Regulators or Courts or Tribunals:

During the year under review there were no significant and material orders passed by any Regulators or Court or Tribunals which may have impact on the going concern status. No order has been passed by any Regulators or Court or Tribunals which may have impact on the Company's operation in future.

Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgoings:

Conservation of Energy: Energy conservation is important for the company and therefore energy conservation measures are undertaken wherever practicable in its plant and attached facilities. The Company is making every effort to ensure the optimal use of energy, avoid waste and conserve energy by using energy efficient equipment's with latest technologies.

Technology absorption: The Company continuous to use the latest technologies for improving the productivity and quality of its services and products.

Foreign exchange Earnings and Outgoings: There are no foreign exchange earnings and outgoings during the financial year

Directors and Key Managerial Personnel:

Appointment/ Re-Appointment:

During the year under review, Company has not appointed any KMP and director on its Board. However after closure of financial year there were appointment of company secretary & compliance officer and Chief Financial officer of the company.

Cessation:

During the year under review, there is no cessation of director from the Board. However after closure of financial year there were resignation of directors, Company Secretary & compliance officer and Chief Financial officer of the company.

Retirement by Rotation:

As per the provisions of Section 152 of the Companies Act, 2013, Mrs. JAYSHREE DINESHBHAI PANDYA (DIN: 06647308) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for reappointment. Your Directors recommended re-appointment on recommendation of the Nomination and Remuneration Committee.

Declaration by Independent Directors:

The following Directors are independent in terms of Section 149(6) of the Companies Act, 2013 and Regulation of SEBI (Listing obligations and Disclosure Requirements) Regulations 2015:

Mr. Rajeshkumar Rasiklal Parekh

Mr. Vivek Gopalbhai Dadhania

Mr. RushabhVora (resigned 19/08/2023 i.e. after closure of financial year 2022-23)

Mr. Yagnik Dilipbhai Mundadiya (resigned 19/08/2023 i.e. after closure of financial year 2022-23)

Ms. Kinjal Jasmatbhai Khunt

The Company has received required declarations/ confirmations from all the above Directors confirming their independence.

Key Managerial Personnel /Board of Directors

Name of Director	Designation	Date of Appointment	Date of Cessation *
Dineshbhai Bhanushankar Pandya	Executive Managing Director	31-05-2018	----
Dev Dineshbhai Pandya	Chief Financial Officer & Director	26-05-2018	19-08-2023
Nirajkumar K. Malaviya	Company Secretary & Compliance Officer	11-12-2019	18-07-2023
Pradipkumar Harjibhai Lathiya	Chief Financial Officer (CFO)	21-08-2023	---
Dhaval Sureshkumar Raychura	Company Secretary & Compliance Officer	01-09-2023	---
Jayshree Dineshbhai Pandya	Non-Executive Director (Non Independent)	25-12-2017	

Deviben Pandya	Dineshbhai	Executive Director	10-05-2018	19-08-2023
Jigar Dineshkumar Pandya		Executive Director	10-05-2018	19-08-2023

*Resignation of Directors/KMP took place after closure of financial year.

NUMBER OF BOARD MEETINGS AND POSTAL BALLOT:

During the year 2022-23, the Board of Directors meets regularly, 08 (Eight) Board Meetings were convened and held. Interval between any two meetings was well within the maximum allowed gap of 120 days.

Sr No	Date Of Board Meeting	Particulars
01	20/04/2022	All Directors were present
02	03/06/2022	All Directors were present
03	10/06/2022	All Directors were present
04	26/07/2022	All Directors were present
05	27/07/2022	All Directors were present
06	31/08/2022	All Directors were present
07	06/09/2022	All Directors were present
08	01/10/2022	All Directors were present
09	18/10/2022	All Directors were present
10	30/01/2023	All Directors were present
11	23/03/2023	All Directors were present

During the period under review, the Company obtained necessary approval on Saturday, April 09, 2022 By way of passing of Special resolution in Extraordinary General Meeting of the Company:

To Increase Authorized Capital of the Company from Rs. 22,50,00,000/- (Rupees Twenty Two Crores Fifty Lacs Only) to Rs. 35,00,00,000/- (Rupees Thirty Five Crores Only) by Alteration of the Capital Clause V of the Memorandum of Association.

After the completion of Extra Ordinary General Meeting (EOGM) procedure, your Company had also filed necessary forms with the Registrar of Companies (ROC) and other authorities as required, for approvals and got the same approved by the Registrar of Companies (ROC), Gujarat and other authorities.

As per Schedule IV of the Companies Act, 2013, a Separate meeting of Independent Directors without the attendance of Non-Independent Directors was held on, **March 23, 2023** where all the Independent directors present and discuss the agenda items as required under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015. The independent directors reviewed the

performance of non-independent directors and the Board as whole, reviewed the performance of the chairperson of the company taking into account the views of executive and non-executive directors and assessed the quality, quantity and timeliness flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The Independent Directors expressed their satisfaction with overall functioning and implementations of their suggestions.

The Annual General Meeting for the Financial Year 2021-2022 was held on Thursday, 29 September, 2022 through Video Conferencing (“VC”)/Other Audio Visual Means (OAVM).

Committees of the Board of Directors:

Your Company has several Committees which have been established as part of the best Corporate Governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

The Company has following Committees of the Board of Directors:

- Audit Committee
- Stakeholder’s Grievances and Relationship Committee
- Nomination and Remuneration Committee
- CSR Committee

The details with respect to the compositions, powers, and terms of reference and other information of relevant committees are given in details in the Corporate Governance Report which forms part of this Annual Report.

Director Remuneration:

During the year under review, the Company has paid remuneration to director of the company as Follow:

Sr No	Name Of Director/KMP	Remuneration (Amount In Lakhs)
01	Dineshbhai Bhanushankar Pandya	72.00 Lakhs
02	Jayshree Dineshbhai Pandya	18.00 Lakhs
03	Deviben Dineshbhai Pandya	18.00 Lakhs
04	Devang Dineshbhai Pandya	18.00 Lakhs
05	Jigar Dineshkumar Pandya	18.00 Lakhs

Director's Responsibility Statement:

Pursuant to clause (c) of sub-section (3) and subsection (5) of Section 134 of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, state the followings:

(a) In the preparation of the annual accounts for the financial year ended 31st March, 2023 the applicable accounting standards have been followed.

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

(c) The Directors have 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 the Company and for preventing and detecting fraud and other irregularities.

(d) The Directors have prepared the annual accounts for the year ended 31st March, 2023 on a going concern basis.

(e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.

(f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

Contracts or Arrangement with Related Parties:

For all related party transactions prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are of foreseen and repetitive nature and such approval is in interest of the Company. Transactions entered into, pursuant to the omnibus approval so granted, are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval.

All Related Party Transactions that were entered during the financial year ended on 31st March, 2023 were on an arm's length basis and in the ordinary course of business and is in compliance with the applicable provisions of the Act. There were no materially significant Related Party Transactions made by the Company during the year that required shareholders' approval.

The Company has entered into related party transactions which fall under the scope of Section 188(1) of the Act. Accordingly, the disclosure of related party transactions as required under

Section 134(3)(h) of the Act in Form AOC-2 are given in Annexure I of this Director's Report for FY 2022-2023.

Auditors and Auditors Report:

Statutory Auditors:-

M/s. J S Maheshwari & Co, Chartered Accountants (Membership No. 148387, FRN: 001318C), Ahmedabad, Gujarat, was appointed as Statutory Auditors of the Company for conduct statutory audit for F.Y. 2022-2023 till the conclusion of this Annual General Meeting. The Board of Directors recommend to appoint them for further period of five year in the Annual General Meeting to hold office till the conclusion of Annual General meeting to be held in the Year 2027.

However due to their busy schedule and heavy work load, they would be unable to continue as a Statutory Auditor, they are not in a position to devote their time to the affairs of the Company and resigned as statutory auditor of the Company w.e.f. 08th Day of August, 2023

Board proposes that M/s. H T A And Associates (FRN: 120457W), Chartered Accountants, RAJKOT, be appointed as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. J S Maheshwari & Co (FRN: 001318C), Chartered Accountants, Ahmedabad for conduct Statutory audit for Financial Year 2023-2024 at Annual General Meeting of the Company to be held as on 30th September 2023

Secretarial Auditors and their Report:-

Pursuant to provisions of Section 204 (1) of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company has appointed **M/s. H. T. LODHIYA & ASSOCIATES**, a firm of Company Secretary in Practice to fill casual vacancy of **M/S. G. R. SHAH & ASSOCIATES**, a firm of Company Secretary in Practice undertake the Secretarial Audit of the Company for the financial year 2022-2023. The Secretarial Audit Report in the form MR-3 is annexed herewith as "Annexure –II" to the Directors' Report and forming part of this Annual Report.

Internal Auditor:

The Board of Directors has appointed **M/s PRINCY MEHTA & ASSOCIATES (PAN: BUAPM1175P)**, as an Internal Auditors of the Company to fill casual vacancy of **MR MAULIK VYAS (PAN: AVDPV3708L)**. The Internal Auditor directly report to audit committee. The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives.

Explanations or Comments by the Board on Qualifications, Reservations or Adverse Remark or Disclaimers:-

The Notes on Financial Statements referred to in the Auditor's Report are Self-explanatory and do not call for any further comments. There is no qualification, reservation or adverse remarks made in the statutory auditor's report.

Risk Management Policy

The Company has a structured risk management policy. The Risk management process is designed to safeguard the organization from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The potential risks are inventoried and integrated with the management process such that they receive the necessary consideration during decision making. It is dealt with in greater details in the management discussion and analysis section. The Risk Management Policy is also available on the Company's website www.addshop.co.

Corporate Social Responsibility

During the year Company is covered under the criteria of the provision of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, and therefore it is mandatory to comply with the same. However as per eligibility criteria CSR will be applicable from 2021-22 onwards

The Company has spent the amount on CSR Activities for the financial year 2022-2023 as per Schedule VII of the Companies Act, 2013. The Company has duly spent the amount within time prescribed under Section 135 of the Companies Act, 2013. (CSR Report separately attached herewith as Annexures).

Environment, Health and Safety:

The Company continued its commitment to industrial safety and environment protection. Periodical audits are done by external and internal agencies to assess the continued levels of EHS efficiency of plant.

Annual Performance Evaluation:

In compliance with the provisions of the Act and Regulation of SEBI (Listing obligations and Disclosure Requirements) Regulations 2015, the performance evaluation was carried out as under:

Board:

In accordance with the criteria suggested by the Nomination and Remuneration Committee, the Board of Directors evaluated the performance of the Board, having regard to various criteria such as Board composition, Board processes, Board dynamics etc. The Independent Directors, at their separate meetings, also evaluated the performance of the Board and chairman of the company as a whole based on various criteria. The Board and the Independent Directors were of the unanimous view that performance of the Board of Directors as a whole was satisfactory.

Committees of the Board:

The performance of the Audit Committee, the Nomination and Remuneration Committee and the Stakeholders Relationship Committee was evaluated by the Board of Directors having regard to various criteria such as committee composition, committee processes, committee dynamics etc. The Board was of the unanimous view that all the committees were performing their functions satisfactorily and according to the mandate prescribed by the Board under the regulatory requirements including the provisions of the Act, the Rules framed there under and the Listing Agreement.

Board of Directors:

(a) Independent Directors: In accordance with the criteria suggested by The Nomination and Remuneration Committee, the performance of each independent director was evaluated by the entire Board of Directors (excluding the director being evaluated) on various parameters like engagement, participation in matter, leadership, analysis, decision making, communication, governance and interest of stakeholders. The Board was of the unanimous view that each independent director was a reputed professional and brought his/her rich experience to the deliberations of the Board. The Board also appreciated the contribution made by all the independent directors in guiding the management in achieving higher growth and concluded that continuance of each independent director on the Board will be in the interest of the Company.

(b) Non-Independent Directors: The performance of the non-independent director (including the chair person) was evaluated by the Independent Directors at their separate meeting. Further, their performance was also evaluated by the Board of Directors. The various criteria considered for the purpose of evaluation included leadership, engagement, transparency, analysis, decision making, functional knowledge, governance and interest of stakeholders. The Independent Directors and the Board were of the unanimous view that each of the non-independent directors was providing good business and people leadership.

Annual Return:

In accordance with circular issued by government of India "G.S.R. 159(E). dated, 05th March, 2021", the requirement of preparing MGT-9 wiped off from Rule 12 as well, making it clear that MGT-9 is not required by any provision of the Act or Rules and in accordance with Sections 134(3)(a) & 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, The annual return in Form No. MGT-7 for the financial year 2022-2023 will be available on the website of the Company (www.addshop.co). The due date for filing annual return for the financial year 2022-2023 is within a period of sixty days from the date of annual general meeting. Accordingly, the Company shall file the same with the Ministry of Corporate Affairs within prescribed time and a copy of the same shall be made available on the website of the Company (www.addshop.co) as is required in terms of Section 92(3) of the Companies Act, 2013.

Particulars of employees

Pursuant to Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company states that there are the employees of the Company who was in receipt of remuneration in excess of Rs. 60 Lakh, if employed throughout the year or Rs. 5 Lakh per month, if employed for part of the financial year or received remuneration in excess of that drawn by the MD/WTD/Manager & holding 2% or more of equity share capital of the Company (himself along with spouse & dependent children).

Human Resources and Policy on Prevention, Prohibition and Redressal of Sexual harassment at workplace:

Company has zero tolerance for sexual harassment at workplace and has adopted, in line with the provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 (POSH), a documented policy for prevention, prohibition and redressal of sexual harassment of women at workplace, under the guiding principle that no woman shall be subjected to sexual harassment at workplace(s) in the Company's location(s).

Company has re-constituted the Internal Complaints Committee (ICC) comprised of internal and external members, to hear, inquire, investigate and suitably address the matter of complaints of sexual harassment, if any, and to recommend punitive / corrective action to the Management. Easy access has been provided to the ICC for woman employees of the Company.

Disclosures pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and SEBI - Listing Regulations are as under: No of complaints filed during the financial year 2022-2023	NIL
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No of complaints filed / disposed of during the financial year 2022-2023	NIL
No of complaints pending as on the end of financial year 2022-2023	NIL

Secretarial Standards of ICSI:

The Company is in compliance with the Secretarial Standard on Meetings of the Board of Directors (SS-1) and General Meeting (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government.

For Prevention of Insider Trading:

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 came into effect from May 15, 2015 to put in place a framework for prohibition of insider trading in securities and to strengthen the legal framework thereof. Pursuant to Regulation 8 of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated and adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (“Code of Fair Disclosure”) of the Company.

Further, pursuant to Regulation 9 of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated and adopted the Code of Conduct for Prevention of Insider Trading. The Code lays down guidelines and procedures to be followed and disclosures to be made while dealing with the shares of the Company and cautioning them on the consequence of non-compliances. The Company Secretary has been appointed as a Compliance Officer and is responsible for monitoring adherence to the Code.

Code of Conduct:

Company has framed policy on code of conduct for Board of Directors and senior Management.

Maintenance of Cost Records:

The provisions relating to maintenance of cost records as specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013, are not applicable to the Company and accordingly such accounts and records are not required to be maintained.

Insolvency and Bankruptcy Code:

There is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year. The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan

from the Banks or Financial Institutions along with the reasons thereof is not applicable to the Company.

Fraud Reported by Auditors:

During the year under review, the Statutory Auditors and Secretarial Auditor 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.

Corporate Governance and Management Discussion and Analysis Report:

Corporate Governance:-

Pursuant to the Regulation 34(3) read with Schedule V Part C of the Listing Regulations, a "Report on Corporate Governance" is given separately, forming part of this Annual Report. Pursuant to Regulation 34(3) read with Schedule V, Part E of the Listing Regulations, the Certificate from M/s. H. T. Lodhiya & Associates Practicing Company Secretary, Rajkot confirming compliance with the conditions of Corporate Governance is annexed to the Corporate Governance Report forming part of this Annual Report.

Management Discussion and Analysis Report: -

The Management Discussion and Analysis Report as required under Regulation 34(2)(e) read with Schedule V, Part B of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with detailed analysis of the financial results is annexed to the report as Annexure III and is incorporated herein by reference and forms integral part of this report.

Internal Financial Controls:

The Company has in place adequate internal financial controls with reference to financial statement across the organisation. The same is subject to review periodically by the internal audit cell for its effectiveness. During the financial year, such controls were tested and no reportable material weaknesses in the design or operations were observed. The Statutory Auditors of the Company also test the effectiveness of Internal Financial Controls in accordance with the requisite standards prescribed by ICAI. Their expressed opinion forms part of the Independent Auditor's report. Internal Financial Controls are an integrated part of the risk management process, addressing financial and financial reporting risks. The internal financial controls have been documented, digitized and embedded in the business processes. Assurance on the effectiveness of internal financial controls is obtained through management reviews, control self-assessment, continuous monitoring by functional experts. We believe that these systems provide reasonable assurance that our internal financial controls are designed

effectively and are operating as intended. During the year, no reportable material weakness was observed.

Insurance

The Company has taken all the necessary steps to insure its properties and insurable interest, as deemed appropriate and as required under the various legislative enactments. There were no major incidents or accidents to warrant insurance claims during the year under review.

Green Initiative

Your Directors would like to draw your attention to Section 20 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as may be amended from time to time, which permits paperless compliances and also service of notice / documents (including annual report) through electronic mode to its members. To support this green initiative of the Central Government in full measure, we hereby once again appeal to all those members who have not registered their e-mail addresses so far are requested to register their e-mail address in respect of electronic holdings with their concerned depository participants and / or with the Company.

Vigil Mechanism:

The Company has set up a whistleblower policy which can be viewed on the Company's website www.addshop.co. In terms of the said policy the Directors and employees are given direct access to the Managing Director as well as Chairman of the Audit Committee to report on alleged wrongdoings. The said policy has been made available at the Registered Office of the Company at conspicuous places to enable the employees to report concerns, if any, directly to the Managing Director as well as Chairman of the Audit Committee. Employees who join the Company newly are apprised of the availability of the said policy as a part of their induction schedule. The above is in compliance of Section 177 (9) & (10) of the Companies Act, 2013 and in terms of Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Nomination and Remuneration Policy:

The Company has formulated and adopted the Remuneration Policy in accordance with the provisions of Companies Act, 2013 read with the Rules issued there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said Policy of the Company, inter alia, provides the criteria for appointment of Executive, Non-Executive and Independent Directors on the Board of Directors of the Company and persons in the Senior Management of the Company, their remuneration including determination of qualifications, Positive attributes, independence of Directors and other matters as provided under sub-section (3) of Section 178 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof

for the time being in force). All the Board Members and Senior Management Group of the Company have affirmed compliance with the code of conduct for the financial year ended on March 31, 2023 as required by Regulation 26(3) of the Listing Regulations. A declaration signed by the Chairman & Managing Director to this effect is attached as a part of this Annual Report. The Managerial remuneration has been paid/provided in accordance with the remuneration policy and requisite approvals mandated by section-197 read with schedule V to the Companies act, 2013.

Transfer of Unclaimed Dividend to Investor Education and Protection Fund:

Pursuant to the provisions of Section 124 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all the unpaid or unclaimed dividends are required to be transferred to the IEPF established by the Central Government, upon completion of seven (7) years. Further, according to the Investor Education & Protection Fund ("IEPF") Rules, the shares in respect of which dividend has not been paid or claimed by the Shareholders for seven (7) consecutive years or more shall also be transferred to the Demat account created by the IEPF Authority. During the year under review, the Company did not transfer any unclaimed dividend and shares to Investors Education and Protection Fund.

Business Conduct Policy:

The Company has framed "Business Conduct Policy". Every employee is required to review and sign the policy at the time of joining and an undertaking shall be given for adherence to the Policy. The objective of the Policy is to conduct the business in an honest, transparent and in an ethical manner. The policy provides for anti-bribery and avoidance of other corruption practices by the employees of the Company. The same is also uploaded on the website of the Company i.e. www.addshop.co.

Dematerialisation of equity shares:

As per direction of the SEBI and Bombay Stock Exchange Limited, the shares of the Company are under compulsory Demat form. The Company has established connectivity with both the Depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited and the Demat activation number allotted to the Company is ISIN: INE01B501018. Presently shares are held in electronic mode only.

Industrial Relations:

The Directors are pleased to report that the relations between the employees and the management continued to remain cordial during the year under review.

Business Responsibility Report:

Pursuant to Regulation 34(2)(f) of the Listing Regulations read with notification SEBI/LAD-NRO/GN/2015- 16/27 dated December 22, 2015, the Business Responsibility Report is to be given only by top 500 listed companies based on market capitalization, therefore the same is not applicable to the Company as on March 31, 2023

Appreciation:

Your Directors acknowledge the valuable contribution and appreciate the co-operation received from the bankers, customers and financial institutions for their continued assistance and support extended to the Company. Your Directors also express their appreciation to all the employees of the Company for their sustained contribution throughout the period. Your Directors wish to thank the shareholders for their continued support, encouragement and the confidence reposed in the Management.

Date: 05/09/2023

Place: Rajkot

**By order of the Board of Directors
For & on behalf of the Add-Shop E-Retail Limited**

**DINESHBHAI BHANUSHANKAR PANDYA
(Managing Director)
DIN : 06647303**

**REPORT ON CORPORATE GOVERNANCE
(CIN: L51109GJ2013PLC076482)**

1. BRIEF STATEMENT ON COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is the application of best management practices, compliance of laws, rules, regulations and adherence to ethical principles in all its dealings, to achieve the objects of the Company, enhance stakeholder value for the benefit of the Company and its stakeholders. It is essentially a system by which Companies are directed and controlled by the management in the best interest of all stakeholders. Add-Shop E-Retail Limited firmly believes that effective Corporate Governance practices constitute a strong foundation on which successful commercial enterprises are built to last. The Company has a strong legacy of fair, transparent and ethical governance practices. This has been further strengthened by the adoption of the Code of Conduct for its employees, including the Managing Director and adoption of a Code of Conduct for its Non-Executive Directors. The Company has made disclosures under this part as per the Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, (hereinafter referred as “Listing Regulations”) which came into effect from December 1, 2015.

2. BOARD OF DIRECTORS

The Board of your Company has an optimum combination of Executive, Independent Non-executive and Woman Directors with conformity of Regulation 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (herein after known as “Listing Regulations”) as well as the Companies Act, 2013 read with rules framed thereunder, to maintain the independence of board and separate its functions of management and governance in transparent manner. The Board of Directors of ASRL, **as on March 31, 2023, comprised of 10 Directors**, out of which 1 was Executive Director ("ED") (MD & Chairman), 3 were Executive Directors ("EDs"), 1 was Non-Executive Directors ("NEDs") and 5 were Independent Directors ("IDs").

Board Composition:

NAME OF DIRECTOR	CATEGORY	DESIGNATION
Jigar Dineshkumar Pandya*	Executive Director	Executive Director
Dev Dineshbhai Pandya*	Executive Director	Executive Director And CFO
Deviben Dineshbhai Pandya*	Executive Director	Executive Director
Dineshbhai Bhanushankar Pandya	Executive Director	Managing Director
Jayshree Dineshbhai Pandya	Non-Executive Director	Non-Executive Director
Rajeshkumar Rasiklal Parekh	Non-Executive Independent Director	Non-Executive Independent Director
Kinjal Jasmatbhai Khunt	Non-Executive	Non-Executive Independent

	Independent Director	Director
Rushabh Vora*	Non-Executive Independent Director	Non-Executive Independent Director
Dadhania Vivek Gopalbhai	Non-Executive Independent Director	Non-Executive Independent Director
Yagnik Dilipbhai Mundadiya*	Non-Executive Independent Director	Non-Executive Independent Director
Pradipbhai Lathiya	Chief Financial Officer	Chief Financial Officer (Appointed 21/08/2023)

Note:

1. All the Independent Directors have, in terms of Section 149(7) of the Act given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) and Regulation 25 of the Listing Regulations. These declarations have been placed before the Board.

2. After closing of financial year 2022-23 there was change in board of directors of the company.

* were resigned from the company w.e.f. 19/08/2023

The details of number of other Directorships and Memberships / Chairmanships of Committees in various Companies held by the Directors are given as under:

NAME OF DIRECTOR	CATEGORY	Number of other Directorships and Committee Memberships/ Chairmanships			
		Other Directorships	Other Chairmanships	Other Committee Memberships	Other Committee Chairmanships
Jigar Dineshkumar Pandya	Executive Director	2	0	0	0
Dev Dineshbhai Pandya	Executive Director	2	0	0	0
Deviben Dineshbhai Pandya	Executive Director	2	0	0	0
Dineshbhai Bhanushankar Pandya	Executive Director	1	0	0	0
Jayshree Dineshbhai Pandya	Non-Executive Director	1	0	0	0
Rajeshkumar Rasiklal Parekh	Non-Executive Independent	0	0	0	0

	Director				
Kinjal Jasmatbhai Khunt	Non-Executive Independent Director	0	0	0	0
Rushabh Vora	Non-Executive Independent Director	0	0	0	0
Dadhania Vivek Gopalbhai	Non-Executive Independent Director	0	0	0	0
Yagnik Dilipbhai Mundadiya	Non-Executive Independent Director	0	0	0	0

Notes:

1. The number of other Directorships and Committee Memberships/Chairmanships excludes Directorships and Committee Memberships/Chairmanships held in the Company, private limited companies, and foreign companies, companies registered under Section 25 of the Companies Act, 1956 or Section 8 of the Companies Act 2013 . Further, it includes only the Memberships/Chairmanships of Audit Committee and Stakeholders Relationship Committee.

2. All the Directors meet the criterion laid down in the Act and the Listing Regulations, visa-vis, independence, number of directorship in other companies, Memberships/ Chairmanships of committees across all public companies in which he is a Director. Necessary disclosures in this respect as on March 31, 2023 have been made by the Directors.

3. w.e.f from 19.08.2023 i.e. after closing of financial year all the committee reconstructed.

Board Procedure & Board Meetings:

The annual calendar of meeting is agreed upon well in advance after consulting all the Directors. Board Meetings are held once in every quarter. In addition to this, Board Meetings are convened to transact special businesses, as and when necessary. The meetings are governed by a detailed agenda. All major issues included in the agenda are backed up by comprehensive background information to enable the Board to take informed decisions.

The agenda papers, containing detailed notes on various agenda items and other information, which would enable the Board to discharge its responsibilities effectively, are circulated in advance to the Directors. The Board is briefed on all the matters of the Company at its meeting. All major agenda items are backed by comprehensive background information to enable the

Board to take informed decisions. To supplement this, it is ensured that Board Members are presented with all the relevant information, in addition to the agenda of the meeting, for review on vital matters affecting the working of the Company including the minimum information to be placed before the Board as inter alia specified under Regulation 17(7) of the Listing Regulations.

Number of Board Meetings held and the dates on which they are held:

The Company held 11 Board Meetings during the year 2022-2023 and the gap between two meetings was in compliance with the provisions contained in the Act, the Listing Regulations and the Secretarial Standard which are notified.

The dates on which the Board Meetings held were: **20/04/2022, 03/06/2022, 10/06/2022, 26/07/2022, 27/07/2022, 31/08/2022, 06/09/2022, 01/10/2022, 18/10/2022, 30/01/2023, 23/03/2023**

The details regarding the total Board Meeting held attendance of each Director at the Board meetings and the last Annual General Meeting during the financial year ended on March 31, 2023 is given below:

NAME OF DIRECTOR	CATEGORY	Number of Board Meetings		Attendance at last AGM (29/09/2022)
		Held during the year	Attended during the Year	
Jigar Dineshkumar Pandya	Executive Director	11	11	Yes
Dev Dineshbhai Pandya	Executive Director	11	11	Yes
Deviben Dineshbhai Pandya	Executive Director	11	11	Yes
Dineshbhai Bhanushankar Pandya	Executive Director	11	11	Yes
Jayshree Dineshbhai Pandya	Non Executive Director	11	11	Yes
Rajeshkumar Rasiklal Parekh	Non Executive Independent Director	11	11	Yes
Kinjal Jasmatbhai Khunt	Non Executive Independent Director	11	11	Yes
Rushabh Vora	Non Executive Independent Director	11	11	Yes
Dadhania Vivek Gopalbhai	Non Executive Independent Director	11	11	Yes
Yagnik Dilipbhai Mundadiya	Non Executive Independent Director	11	11	Yes

Number of Shares and Convertible Instruments held by Non-Executive Directors:

There are no convertible instruments outstanding as at March 31, 2023. The details regarding the number of shares held directly by the Non-Executive Directors as on March 31, 2023 is given below:

Name of the Directors	Designation	No. of Equity Shares held as on March 31, 2023
Jayshree Dineshbhai Pandya	Non Executive Director	585702
Rajeshkumar Rasiklal Parekh	Non Executive Independent Director	NIL
Kinjal Jasmatbhai Khunt	Non Executive Independent Director	NIL
Rushabh Vora	Non Executive Independent Director	NIL
Dadhania Vivek Gopalbhai	Non Executive Independent Director	NIL
Yagnik Dilipbhai Mundadiya	Non Executive Independent Director	NIL

Disclosure of Relationship between Directors Inter-se:

Name of the Director	Inter-se Relationship
Dineshbhai Bhanushankar Pandya	Husband of Jayshreeben Pandya, Father of Dev, Jigar & Deviben Pandya
Jayshree Dineshbhai Pandya	Wife of Dineshbhai Pandya, Mother of Dev, Jigar & Deviben Pandya
Deviben Dineshbhai Pandya	<u>Daughter of Dineshbhai & Jayshreeben Pandya, Sister of Dev & Jigar Pandya</u>
Dev Dineshbhai Pandya	Son of Dineshbhai & Jayshreeben Pandya, Brother of Jigar & Deviben Pandya
Jigar Dineshkumar Pandya	Son of Dineshbhai & Jayshreeben Pandya, Brother of Dev & Deviben Pandya

Skills/Expertise/Competence of the Board of Directors:

Company's Board is a skill-based board comprising of Directors who collectively have the skills, knowledge and experience to effectively govern and direct the organization.

The Board of Directors have identified the below mentioned core skills / expertise / competencies in the context of the business and the sector in which the Company is operating, for the Company to function effectively:

- Knowledge and/or expertise in one or more of areas like manufacturing, accounts, finance, taxation, marketing, business and management.
- This criteria is designed to ensure the Board consists of individuals with a balance of skills to oversee the organization, achieve the strategic goals and direct the organization's future.

The above core skills / expertise / competencies identified by the Company are also actually available with the Board as under:

Name of Directors	Understanding of business industry	Critical and innovative thoughts	Strategy and Strategic planning	Financial understanding	Market understanding	Risk and compliance oversight
-						
Dineshbhai Bhanushankar Pandya	√	√	√	√	√	√
Jayshree Dineshbhai Pandya	√	√	√	√	√	√
Deviben Dineshbhai Pandya	√	√	√	√	√	√
Dev Dineshbhai Pandya	√	√	√	√	√	√
Jigar Dineshkumar Pandya	√	√	√	√	√	√
Rajeshkumar Rasiklal Parekh	√	√	√	√	√	√
Dadhania Vivek Gopalbhai	√	√	√	√	√	√
Rushabh Vora	√	√	√	√	√	√
Yagnik Dilipbhai Mundadiya	√	√	√	√	√	√
Kinjal Jasmatbhai Khunt	√	√	√	√	√	√

Board Independence:

Five directors out of Ten directors of the Company are Independent Directors (non-executive directors) as defined under regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Companies Act, 2013 along with the rules framed thereunder. Further, in terms of Regulation 25(8), they have confirmed that they are not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. All Independent Directors make disclosure of their Independence to the Company. None of the Independent Directors has any material pecuniary relationship or transactions with the Company or its subsidiaries, apart from

receiving sitting fee and commission as an Independent Director. Based on the declarations received from the Independent Directors, the Board of Director of the Company are of the opinion that the Independent Directors fulfill the criteria of independence as specified under the Listing Regulations and that they are independent of the Management of the Company.

During the year under review, no director has resigned from its position.

However w.e.f from 19/08/2023 there are resignations of directors under review.

Independent Director's Meeting:

Pursuant to the provisions of Schedule IV of the Companies Act, 2013 read with Regulation 25(3) of the Listing Regulations, a separate meeting of Independent Directors was held on **31st August 2022** to discuss the following purposes:

- Evaluation of the performance of Non Independent Directors and the Board as a whole;
- Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary to effectively and reasonably perform their duties.

All Independent Directors of the Company attended the Meeting of Independent Directors. Mr. Rajeshkumar Parekh chaired the Meeting.

Familiarization Programmes:

In Compliance with Regulations 25(7) of the Listing Regulations, your Company has put the structure of familiarization Programme for all its Independent Directors, to inform about a brief background of the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model, operations of the Company, etc. Periodic presentations are made to the Board on business and performance of the Company.

The details of such familiarization programmes for Independent Directors of the Company are posted on the website of the Company and it can be access by this link <https://www.addshop.co/#/Investors-Desk>

Appointment/Re-appointment of Directors:

As required under Regulation 26(4) and Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards – 2 on General Meetings issued by the Institute of Company Secretaries of India, particulars of Directors seeking appointment/re-appointment at this AGM are given in the Notice of the AGM which forms part of this Integrated Annual Report.

Code of Conduct:

The Company has adopted the Code of Conduct for all employees of the Company, including the Managing Director. The Board has also approved a Code of Conduct for the Non-Executive Directors of the Company, which incorporates the duties of Independent Directors as laid down in the Companies Act, 2013. Both the Codes are posted on the Company's website.

All Board members and senior management personnel (as per Regulation 26 (3) of the Listing Regulations) have affirmed compliance with the applicable Code of Conduct. A declaration to this effect, signed by the Managing Director and CFO forms part of this Report.

Apart from receiving remuneration that they are entitled to under the Companies Act, 2013 as Non-Executive Directors and reimbursement of expenses incurred in the discharge of their duties, none of the Non-Executive Directors has any other material pecuniary relationship or transactions with the Company, its promoters, its Directors, its senior management or its subsidiaries and associates.

The Directors and senior management of the Company have made disclosures to the Board confirming that there are no material financial and/ or commercial transactions between them and the Company that could have potential conflict of interest with the Company at large at arm's length basis.

BOARD COMMITTEES:

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review.

1. AUDIT COMMITTEE

(i) Brief Description of Terms of reference

The Company has an Audit Committee at the Board level with powers and role that are in accordance with Regulation 18 of SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee and power of this committee are in accordance with the requirements of Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The brief description of role and terms of reference of Audit Committee is as under:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of statutory auditor and fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing with management the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub section 3

of Section 134 of the Companies Act, 2013,

- b) Changes, if any, in accounting policies and practices and reasons for the same,
 - c) Major accounting entries involving estimates based on the exercise of judgment by management,
 - d) Significant adjustments made in the financial statements arising out of audit findings,
 - e) Compliance with listing and other legal requirements relating to financial statements,
 - f) Disclosure of any related party transactions,
 - g) Modified opinion(s) in the draft audit report
5. Reviewing with the management, the quarterly financial statements before its submission to the Board for approval;
 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
 7. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
 8. Approval of any subsequent modification of transactions of the Company with related parties
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the Company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. Discussion with internal auditors, any significant findings and follow up thereon;
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 16. Discussion with statutory auditors before the audit commences, about nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of

- declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
 19. Approval of appointment of CFO (i.e., the Whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
 20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

In addition to the areas noted above, Audit Committee looks into controls and security of the Company's internal control systems and internal audit reports.

The Committee Meetings were also attended by Internal Auditors, Statutory Auditors and Company Secretary who also acted as Secretary of the Committee during the year 2022-23.

(ii) Composition and Attendance during the year

All members of the Committee are financially literate. Mr. Rajeshkumar Parekh, Chairman of the Committee is a qualified and having the relevant accounting and financial management expertise.

The Composition and attendance of Audit Committee Meeting are given below:

Name of Member	Designation	Category	No. of Meetings	Meeting s attended
Mr. Rajeshkumar Parekh	Chairman	Non-Executive Independent Director	5	5
Mr. Vivek Dadhania	Member	Non-Executive Independent Director	5	5
Mr. Rushabh Vora	Member	Non-Executive Independent Director	5	5

The Audit Committee met five times during the year and gap between two meetings did not exceed 120 days. The dates on which Audit Committee Meetings were held were 20th April 2022, 26th July 2022, 31st August 2023, 18th October 2022, 30th January 2023. Necessary quorum was present at above Meetings.

During the year, Audit Committee reviewed key audit findings covering operational, financial and compliance areas. Risk mitigation plans covering key risks affecting the Company were presented to the Committee. The Chairman of Committee briefs Board members about significant discussions at Audit Committee Meetings.

The meetings of Audit Committee are usually attended by Chief Financial Officer, Internal Auditor, Company Secretary and a representative of the Statutory Auditors. The Business and Operation Heads are invited to the Meetings, when required. The Company Secretary acts as the secretary to Committee.

2. NOMINATION & REMUNERATION COMMITTEE

(i) Brief description of terms of reference

The Company has complied with the requirements of Regulation 19 of SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013 as regards composition of Nomination and remuneration Committee.

The Board has adopted a charter of the NRC for its smooth functioning covering aspects relating to composition, responsibilities, evaluation process, remuneration, Board development and reviewing HR strategy. The key terms of reference of the NRC, are:

1. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and removal;
2. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration for the Directors, key managerial personnel and other employees;
3. To formulate the criteria for evaluation of Independent Directors and the Board;
4. To devise a policy on Board Diversity;
5. Formulate the system and procedure for evaluating performance of Directors;
6. Recommend to the Board, all remuneration, in whatever form, payable to Senior Management;
7. Carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable;
8. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
9. Perform such other functions as may be necessary or appropriate for the performance of its duties.

(ii) Composition and attendance during the year

The composition of the Committee and details of Meetings attended by Directors during the year are given below:

Name of Member	Designation	Category	No. of Meetings	Meeting s attended
Mr. Yagnik Mundadiya	Chairman	Non-Executive Independent Director	3	3
Ms. Kinjal Khunt	Member	Non-Executive Independent Director	3	3
Mr. Rajeshkumar Parekh	Member	Non-Executive Independent Director	3	3

The Committee met Three times during the year, on 20th April 2022, 31st August, 2022,

30th January, 2023. Necessary quorum was present at above Meetings.

Performance Evaluation Criteria for Independent Directors:

As per the Nomination and Remuneration Policy of the Company, the performance evaluation of independent directors is carried out on the basis of prescribed criteria including participation and contribution by every director in the meeting, commitment, effective deployment of knowledge and expertise, effective management relationship with stakeholders, integrity and maintenance of confidentiality, Professional Conduct and Independence, willingness to devote sufficient time to carry out the duties and responsibilities effectively including attendance at meetings, act in the best interest of minority shareholders of the Company etc.

(III) Remuneration Policy

Remuneration to Non-executive Directors

The Non-Executive Director Mrs. Jayshree Dineshbhai Pandya is paid remuneration. The Non-Executive Director/Independent Directors do not have any material pecuniary relationship or transactions with the Company.

Remuneration to Executive Directors

The appointment and remuneration of Executive Directors including Chairman and Managing Director and Director is governed by the recommendation of the Remuneration & Nomination Committee, Resolutions passed by the Board of Directors and Shareholders of the Company. Payment of remuneration to Executive Directors is governed by the respective Agreements executed between them and the Company. The remuneration package of Chairman and Managing Director and Director comprises of salary, perquisites and allowances and contributions to Provident Fund as approved by the shareholders at the General Meetings. Annual increments are linked to performance and are decided by the Remuneration and Nomination Committee and recommended to the Board for approval thereof. The remuneration policy is directed towards rewarding performance, based on review of achievements.

Presently, the Company does not have a stock options scheme for its Directors.

The Remuneration and Nomination Policy is displayed on the Company's website viz. www.addshop.co

(IV) Details of remuneration of Directors

The details of remuneration paid to Directors for the year ended 31st March, 2023 are as follows:

(Amount in Lakhs)

Name of Director	Salaries	Sitting Fees	Total
Mr. Dineshbhai B Pandya -CMD	72	-	72
Ms. Jayshree D Pandya-NED	18	-	18
Ms. Deviben D Pandya-ED	18	-	18

Mr. Dev D Pandya-ED	18	-	18
Mr. Jigar D Pandya-ED	18	-	18
Mr. Rajeshkumar R Parekh -ID	-	-	-
Mr. Dadhania Vivek G -ID	-	-	-
Mr. Rushabh Vora -ID	-	-	-
Mr. Yagnik D Mundadiya -ID	-	-	-
Ms. Kinjal J Khunt -ID	-	-	-

Note: CMD – Chairman & Managing Director, NED – Non Executive Director, ED – Executive Director and ID – Independent Director.

3. STAKEHOLDERS’ GRIEVANCES AND RELATIONSHIP COMMITTEE

(i) Brief description of terms of reference

The Company has complied with the requirements of Regulation 20 of SEBI (Listing obligations and disclosure Requirements) Regulations, 2015 and pursuant to provision of Companies Act, 2013 as regards to composition of this Committee.

As per Regulation 20(4) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, following are the Role of the Stakeholders’ Relationship Committee specified under Part D of Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015:

1. Review and resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review measures taken for effective exercise of voting rights by shareholders.
3. Review the adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely payment of dividend/dispatch of annual reports/statutory notices to the shareholders of the Company.

Composition and attendance during the year

The composition of Committee and details of Meetings attended by Directors during the year are given below:

Name of Member	Designation	Category	No. of Meetings	Meeting s attended
Mr. Rushabh Vora	Chairman	Non-Executive Independent Director	4	4

Mr. Rajeshkumar Parekh	Member	Non-Executive Independent Director	4	4
Mr. Jigar Pandya	Member	Executive Director	4	4

The committee met four times during the year viz. 14th April 2022, 05th July 2022, 07th October 2022 and 09th January 2023 and all three members of committee were present at above meetings.

The details of the complaint received/solved/pending during the year are as below:

Sr. No.	Nature of Complaint	Complaints received	Complaints solved	Complaints pending
1.	Non receipt of shares certificate after transfer etc.	00	00	Nil
2.	Non receipt of dividend warrants	00	00	Nil
3.	Query regarding demat credit	00	00	Nil
4.	Others	05	05	Nil
	Total	00	00	Nil

4. CORPORATE SOCIAL RESPONSIBILITY:

(i) Brief description of terms of reference

The Corporate Social Responsibility ('CSR') Committee of the Board is constituted in accordance with the provisions of Section 135 of the Act. The scope of the CSR Committee includes approving the budget of CSR activities, reviewing the CSR programmes, formulation of annual action plan and monitoring the CSR spends. The terms of reference of the CSR Committee are as under:

1. Formulate and recommend to the Board the CSR policy containing guiding principles for selection, implementation and monitoring of CSR activities as specified under Schedule VII of the Act;
2. Recommend the amount to be spent on CSR activities and review reports on performance of CSR;
3. Review and monitor the Company's CSR policy and activities of the Company on behalf of the Board to ensure that the Company is in compliance with appropriate laws and legislations;
4. Provide guidance to management to evaluate long term strategic proposals (including technologies adopted) with respect to CSR implications;
5. Formulate and recommend to the Board (including any revisions thereto), an annual action plan in pursuance of the CSR policy and have an oversight over its implementation;
6. Review the impact assessment carried out for the projects of the Company as per the requirements of the law.

(ii) Composition and attendance during the year

The composition of Committee and details of Meetings attended by Directors during the year are given below:

Name of Member	Designation	Category	No. of Meetings	Meetings attended
Dineshbhai Bhanushankar Pandya	Chairperson	Executive Director	3	3
Jayshree Dineshbhai Pandya	Member	Non-Executive - Non Independent Director	3	3
Rajeshkumar Rasiklal Parekh	Member	Non-Executive - Independent Director	3	3

The Committee met three times during the year, on 31st August 2022, 30th January 2023 and 23rd March 2023.

5. GENERAL BODY MEETINGS

- a. Location, date and time of Annual General Meetings held during the last 3 years and special resolutions passed

Date of AGM	Location / Venue of AGM	Time
29th September, 2022	Video Conferencing (“VC”)/ Other Audio Visual Means (OAVM), virtual venue B-304, Imperial Height, 150 Ft Ring Road, Rajkot - 360005	03:00 P.M.
29th September, 2021	Video Conferencing (“VC”)/ Other Audio Visual Means (OAVM), virtual venue B-304, Imperial Height, 150 Ft Ring Road, Rajkot - 360005	03:00 P.M.
29th September, 2020	Video Conferencing (“VC”)/ Other Audio Visual Means (OAVM), virtual venue B-304, Imperial Height, 150 Ft Ring Road, Rajkot - 360005	03:00 P.M

During last AGM 13 special resolutions were passed.

- b. Details of Special Resolution passed during the year through postal ballot/e-voting and details of voting pattern:

During the period under review, the Company obtained necessary approvals of members on April, 09, 2022 by way of postal ballot and following are the below items for which Special / Ordinary Resolution passed:-

The detail of voting pattern of postal ballot resolution is as under:

Sr. No.	Description of resolution	Total No. of Valid votes	% of Votes Cast in favour	% of Votes Cast against	% total Votes
1.	Increase in Authorized share capital of the company from INR 22,50,00,000/- to INR 35,00,00,000/-	11,542,643	99.999	0.001	100

After the completion of postal ballots and Extra Ordinary General Meeting (EOGM) procedure, your Company had also filed necessary forms with the Registrar of Companies (ROC) and other authorities as required, for approvals and got the same approved by the Registrar of Companies (ROC), Gujarat and other authorities.

c. Person who conducted the Postal Ballot exercise: Mr. Gaurang Shah (Membership No. A38703), Practicing Company Secretary, acted as the Scrutinizer, for conducting the Postal Ballot process in a fair and transparent manner.

d. Procedure for postal ballot:

Postal Ballot Notice (“Notice”) containing the proposed resolution(s) and explanatory statement pursuant to Section 102 and other applicable provisions, if any, of the Act, are sent electronically to all the members whose email address is registered with the Company/their Depository Participant. Further, the Company also gives option to the members to cast their vote electronically. The votes cast on the e-voting platform within specified time are considered by the Scrutinizer. The Scrutinizer submits his report to the Chairman and the result of the voting by Postal Ballot is declared/announced by the Chairman or any other person authorised by him. The results are also displayed on the Company’s website (www.addshop.co) besides being communicated to the stock exchanges.

6. MEANS OF COMMUNICATION

- (i) The quarterly, half-yearly and yearly financial results are published in the national newspaper-in Financial Express (Gujarati & English Edition).
- (ii) The quarterly results are submitted to the Stock Exchanges, wherein the equity shares of the company are listed and traded, by way of online filing in listing center of such Stock Exchanges.
- (iii) The financial results are also posted on the Company’s website www.addshop.co

7. GENERAL SHAREHOLDER INFORMATION

The Company is registered in the State of Gujarat having Corporate Identification Number

(CIN) as allotted by Ministry of Corporate Affairs (MCA) as L51109GJ2013PLC076482.

i. Annual General Meeting :

Date: 30th September, 2023

Time: 03:00 P.M.

Venue: Through video conferencing mode (VC)/other Audio Visual Means (OAVM).

ii. Financial year and Tentative Financial Calendar:

The Company follows period of 1st April to 31st March as its Financial Year. Financial results will be declared for the financial year 2023-24 as per the following schedule:

Particular	Tentative schedule
Quarterly un-audited results	
Quarter ending 30th June, 2023	On or before 14th August, 2023
Quarter ending 30th September, 2023	On or before 14th November, 2023
Quarter ending 31st December, 2023	On or before 14th February, 2024
Annual audited result	
Year ended 31st March, 2023	On or before 30th May, 2023

iii. Date of Book Closure: Saturday, September 23, 2023 to Saturday, September 30, 2023 (both days inclusive).

iv. Dividend Payment Date: Director of the company is not recommended any dividend for the financial year ended on 31st March, 2023.

v. Listing on stock exchange : The Company's Equity Shares are listed on Bombay Stock Exchange (BSE), P. J. Towers, Dalal Street, Mumbai – 400 001.

The Company has paid the Annual Listing fees to the Stock Exchanges for financial year 2023- 24.

vi. Stock Code

Scrip Code on BSE 541865

Scrip ID on BSE: ASRL

Demat ISIN No. INE01B501018 for NSDL and CDSL

vii. Market price- Monthly high / low stock quotations at BSE Limited for the Financial Year 2022-23:

MONTH	BSE Limited		
	High (Rs.)	Low (Rs.)	Turnover (Rs.)
Apr-22	134.80	98.00	42,37,33,276
May-22	115.00	89.95	28,98,17,582
Jun-22	98.50	82.80	10,33,66,794
Jul-22	118.00	87.00	28,59,62,773

Aug-22	104.00	70.00	35,95,21,341
Sep-22	98.85	65.00	59,99,95,586
Oct-22	73.00	63.20	21,36,48,469
Nov-22	68.30	57.20	17,24,87,294
Dec-22	62.05	51.00	25,66,11,935
Jan-23	56.35	44.50	12,63,99,974
Feb-23	53.50	38.25	15,93,18,460
Mar-23	43.96	33.85	8,24,27,723

viii. Performance in comparison to broad-based indices such as BSE Sensex:

MONTH	ASRL closing price at BSE	
	High (Rs.)	Low (Rs.)
Apr-22	134.8	98
May-22	115	89.95
Jun-22	98.5	82.8
Jul-22	118	87
Aug-22	104	70
Sep-22	98.85	65
Oct-22	73	63.2
Nov-22	68.3	57.2
Dec-22	62.05	51
Jan-23	56.35	44.5
Feb-23	53.5	38.25
Mar-23	43.96	33.85

- ix. In case the securities are suspended from trading, the Directors Report shall explain the reason thereof: Not Applicable
- x. Registrar and Share Transfer Agent
Cameo Corporate Services Limited
Subramanian Building1, Club House Road, Chennai, Tamil Nadu-600005 Tel. Nos 044 - 28460390/ 1989, Fax No 044 - 28460129, Email: cameo@cameoindia.com
- xi. Share Transfer System
As per the SEBI guidelines shares are transferred by the aforesaid Registrars & Transfer Agent. The transfers are normally processed within 10-12 days from the date of receipt, if the documents are complete in all respects.

xii. Distribution of Shareholding as on 31-03-2023

Sr. No.	Category (Shares)	Shareholders		Shareholding	
		Numbers	Percentage	Numbers	Percentage
1	1 -100	28590	59.3375	1047685	3.7003
2	101 – 500	13615	28.2574	3297796	11.6476
3	501 – 1000	2932	6.0852	2196857	7.7591
4	1001 -2000	1702	3.5324	2474340	8.7392
5	2001 – 3000	497	1.0315	1240431	4.3811
6	3001 – 4000	255	0.5292	899063	3.1754
7	4001 – 5000	160	0.3320	726764	2.5668
8	5001 - 10000	263	0.5458	1826736	6.4519
9	10001 – And Above	168	0.3486	14603284	51.5780
	Total	48182	100.00	28312956	100.00

xiii. Shareholding Pattern as on 31-03-2023

Category Wise Holdings Summary		
Category	Total Securities	%-Issued Capital
Clearing Members	26031	0.09
Other Bodies Corporate	285581	1.01
Financial Institutions	-	-
Hindu Undivided Family	292797	1.03
Non Nationalized Banks	-	-
Non Resident Indians (Repatriable & Non Repatriable)	993727	3.51
Public	16514374	58.33
Promoters	10200446	36.03
Trusts	-	-
Insurance Companies	-	-
Investor Education And Protection Fund	-	-
TOTAL	28312956	100

xiv. Dematerialization of Shares and liquidity

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories viz. NSDL and CDSL.

Electronic/ Physical	No of Shares	Percentage %
NSDL	5846307	20.64%
CDSL	22464945	79.35%
Physical	1704	0.01%
TOTAL	28312956	100.00

The Company's Ordinary Shares are regularly traded on BSE. As on 31st March, 2023, 28311252 (99.99%) Equity Shares of the Company were dematerialized. And 100% promoters share holdings are in dematerialized form.

xv. Outstanding GDRS / ADRS / Warrants or any Convertible Instruments, conversion date and likely impact on equity: NIL

xvi. Location:

a. Registered Office

B-304, Imperial Height, 150ft Ring Road, Rajkot -360005, Gujarat.

xvii. Address for correspondence

In case any problem or query, shareholders can contact at:

Company Secretary

Add-Shop E-Retail Limited

B-304, Imperial Height, 150ft Ring Road, Rajkot -360005, Gujarat

Phone: 91-079- 0281-2363023

Email: investor@addshop.co

Shareholders may also contact Company's Registrar & Share Transfer Agent at:

Name: CAMEO CORPORATE SERVICES LIMITED

Address: Subramanian Building No. 1, Club House Road, Chennai- 600005, Tamilnadu.

Phone : 91-044- 28460390

Fax : 91-044- 28460129

Email: cameo@cameoindia.com

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant.

xviii. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad: Not Applicable

8. OTHER DISCLOSURES:

i. Disclosures on materially significant related party transactions that may have potential conflict with the interest of Company at large:

There were no material related party transactions during the year 2022-23 that may have a potential conflict with the interest of the Company as provided under Section 188 of the Companies Act, 2013 and Regulation 23 of the Listing Regulations. The Company has entered into some transactions with related parties as defined under Section 2(76) of the Companies Act, 2013, which were in the ordinary course of business and at arms' length basis and the same were duly approved or reviewed by the Audit Committee.

The necessary disclosures regarding the transactions with related parties are given in the notes to the financial statements. The policy on dealing with related party transactions is disclosed on the Company's website at the www.addshop.co

ii. Statutory Compliance, Penalties and Strictures:

The Company has complied with the requirements of the Stock Exchanges, SEBI and

Statutory Authority on all matters related to capital markets. During the year under Regulation 295(1) of SEBI ICDR regulation. None of the Company's listed securities is suspended from trading.

- iii.** Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee:

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Chairman of the Audit Committee.

- iv.** Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with all the mandatory and non-mandatory requirements of the Listing Regulations relating to Corporate Governance and also complied with Clauses

(b) to (i) of Regulation 46 (1) & (2) relating to the dissemination of information on the website of the Company.

The status of compliance with the non-mandatory requirements listed in Part E of Schedule II of the Listing Regulations is as under:

The following non-mandatory requirements have been adopted by the Company:

- a) Financial statements of Company are unqualified and Members' attention is invited to the observation made by the Auditors under "Emphasis of Matter" appearing in the Auditors' Report.
- b) The Internal Auditors report directly place to the Audit Committee.

- v.** Web link where policy on dealing with Material Subsidiaries:

The Company does not have any subsidiary Company; however Company has formulated a policy for determining material subsidiary and it is available on the web link <https://www.addshop.co/#/Investors-Desk>.

- vi.** Web link where policy on dealing with related party transaction:

The policy on dealing with related party transactions is disclosed on the Company's website and can be accessed at www.addshop.in

- vii.** Foreign exchange risk and hedging activities:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed

to foreign exchange risk through its sales and purchases from overseas suppliers in foreign currencies. The company measures risk through sensitivity analysis.

- viii.** Certificate from Practicing Company Secretary regarding Non-debarment and Non-Disqualification of Directors:
The Company has obtained the Certificate from a Practicing Company Secretary regarding compliance with the provisions relating to corporate governance laid down in Part E of Schedule V to the SEBI LODR Regulations along with Certificate to the effect that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Director of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority. These Certificate(s) are annexed to the Board's Report and will be sent to the stock exchanges, along with the Annual Report to be filed by the Company.
- ix.** Confirmation by the Board of Directors' Acceptance of Recommendation of Mandatory Committees:
During the year, there were no such instances of non-acceptance by the Board of Directors of any mandatory recommendations made by the Committees.
- x.** Total fee paid to Statutory Auditors:
Total fees paid by the Company for the services rendered by the statutory auditor and to all the entities in network firm/network entity belonging to them is Rs. 1, 20, 000.
- xi.** Details of utilization of funds raised through preferential allotment or qualified institutions placement:
During the year, there were no funds raised through preferential allotment or qualified institutions placement.
- xii.** Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
- a) Number of complaints filed during the financial year: NIL
 - b) Number of complaints disposed of during the financial year: NIL
 - c) Number of complaints pending as on end of the financial year: NIL

9. DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46 ARE AS FOLLOWS:

Sr. No.	Particulars	Regulation	Compliance status Yes/ No/N.A	Compliance observed for the following
1.	Board of Directors	17	Yes	<ul style="list-style-type: none"> ➤ Composition ➤ Meetings ➤ Review of compliance report ➤ Plans for orderly succession for appointments ➤ Code of Conduct ➤ Fees/compensation to Non-Executive Directors ➤ Minimum information to be placed before the Board ➤ Compliance Certificate ➤ Risk assessment and management ➤ Performance evolution of Independent Directors
2.	Audit Committee	18	Yes	<ul style="list-style-type: none"> ➤ Composition ➤ Meetings ➤ Power of the Committee ➤ Role of the Committee and review of information by the Committee
3.	Nomination and Remuneration Committee	19	Yes	<ul style="list-style-type: none"> ➤ Composition ➤ Role of the Committee
4.	Stakeholders' Relationship committee	20	Yes	<ul style="list-style-type: none"> ➤ Composition ➤ Role of the Committee ☐
5.	Risk Management Committee	21	N.A.	<ul style="list-style-type: none"> ➤ Composition (Adopted Voluntarily) ➤ Role of the Committee ☐
6.	Vigil Mechanism	22	Yes	<ul style="list-style-type: none"> ➤ Formulation of Vigil Mechanism for Directors and employees ➤ Director access to Chairperson of Audit Committee

7.	Related Party Transaction	23	Yes	<ul style="list-style-type: none"> ➤ Policy on Materiality of Related party Transactions and dealing with Related Party Transactions ➤ Approval including omnibus approval of Audit Committee ➤ Review of related Party Transactions
8.	Subsidiaries of the Company	24	Yes	<ul style="list-style-type: none"> ➤ There was no material subsidiary of the Company and as a result the other compliance in respect of material subsidiary were not applicable ➤ Review of financial statements of unlisted subsidiary by the Audit Committee ➤ Significant transactions and arrangement of unlisted subsidiary
9.	Obligation with respect to Independent Directors	25	Yes	<ul style="list-style-type: none"> ➤ Maximum Directorship and tenure ➤ Meeting of Independent Directors ➤ Familiarization of Independent Directors
10	Obligation with respect to Directors and Senior Managements	26	Yes	<ul style="list-style-type: none"> ➤ Memberships/ Chairpersonship in Committees ➤ Affirmation on Compliance of Code of Conduct by directors and Senior Management ➤ Disclosure of shareholding by Non-Executive Directors ➤ Disclosure by Senior Management about potential conflicts of interest

11.	Other Corporate Governance requirements	27	yes	<ul style="list-style-type: none"> ➤ Compliance with discretionary requirements ➤ Filing of quarterly compliance report on Corporate Governance
12.	Website	46(2) (b) to (i)	Yes	<ul style="list-style-type: none"> ➤ Terms and conditions for appointment of Independent Directors ➤ Composition of various Committees of the Board of Directors ➤ Code of Conduct of Board of Directors and Senior Management personnel ➤ Details of establishment of Vigil Mechanism/ Whistle Blower policy ➤ Policy on dealing with Related Party Transactions ➤ Policy for determining material subsidiaries ➤ Details of familiarization programmes imparted to Independent Directors

i. CEO/CFO Certification:

In terms of Regulation 17(8) read with Part B of Schedule II of the Listing Regulations, the Managing Director and the Chief Finance Officer of the Company is required to issue annual certification on financial reporting and internal controls to the Board. The certificate for financial year 2022-23 given by the Managing Director and the Chief Finance Officer is annexed to this Report.

ii. Compliance Certificate:

Certificate from M/s. H. T. LODHIYA & ASSOCIATES, Practicing Company Secretaries, confirming compliances with the conditions of Corporate Governance as stipulated under the Listing Regulations is annexed to this Report.

iii. Disclosures with respect to Demat suspense account/unclaimed suspense account:

The Company does not have any shares in the Demat suspense account or unclaimed suspense account.

GREEN INITIATIVE IN CORPORATE GOVERNANCE

Rule 11 of the Companies (Accounts) Rules, 2014 permits circulation of annual report through electronic means to those shareholders whose e-mail IDs are registered with NSDL or CDSL or the shareholders who have registered their e-mail IDs with the Company to

receive the documents in electronic form and physical copies to those shareholders whose e-mail IDs have not been registered either with the Company or with the depositories.

To support this green initiative of the Government, shareholders are requested to register their e-mail ID with the DPs, in case shares are held in dematerialized form and with the RTA, in case the shares are held in physical form and also intimate changes, if any, in their registered e-mail IDs to DPs / RTA/ Company from time to time.

**By order of the Board of Directors
For, Add-Shop E-Retail Limited**

**Date: 05.09.2023
Place: Rajkot**

**Dineshbhai Bhanushankar Pandya
Managing Director
DIN: 06647303**

Annexure to Corporate Governance Report

DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT UNDER REGULATION 26(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Pursuant to Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange, all the Board Members and the Senior Management Group have confirmed compliance with the Code of Conduct of SEBI for the financial year ended on March 31, 2023.

For, Add-Shop E-Retail Limited

Place: Rajkot
Date: 05.09.2023

Dineshbhai B. Pandya
Managing Director
DIN: 06647303

CFO Certification

To,
The Board of Directors,
Add-Shop E-Retail Limited
B-304 Imperial Height, 150ft Ring Road
Rajkot -360005

We hereby certify to the Board that:

- A. We have reviewed financial statements and the cash flow statement for the financial year ended on March 31, 2023 and that to the best of our knowledge and belief:
 1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the financial year which are fraudulent, illegal or volatile of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit committee:
 1. Significant changes in internal control over financial reporting during the financial year;
 2. Significant changes in accounting policies during the financial year and that the same have been disclosed in the notes to the financial statements; and
 3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For, Add-Shop E-Retail Limited

Place: Rajkot
Date: 05.09.2023

Dineshbhai B. Pandya
Managing Director
DIN: 06647303)

Pradipkumar Harjibhai Lathiya
Chief Financial Officer
PAN: AHRPL4946N

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE UNDER REGULATION 34 READ WITH SCHEDULE V, PARA E OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members of
Add-Shop E-Retail Limited
B-304 Imperial Height, 150ft Ring Road
Rajkot -360005.

We have examined the compliance of conditions of Corporate Governance by ADD-SHOP E-RETAIL LIMITED, for the year ended on 31st March, 2023, as stipulated as per Regulation 17 to Regulation 27 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from 1st April, 2022 to 31st March, 2023 Pursuant to Regulation 34 read with Para E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company.

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

In our opinion and to the best of our information and according to the explanations given to us and representation made by the management, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the above mentioned Listing Agreement and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Date: 05.09.2023
Place: Rajkot

CS. HETAL TEJASH LODHIYA
FCS No.: 11885
C.P. No.: 24296
UDIN: F011885E000945983

Annexure - I

FORM NO. AOC -2

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

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

1. Details of contracts or arrangements or transactions not at Arm's length basis.

Add-Shop E-Retail Limited (the Company) has not entered into any contract/ arrangement/ transaction with its related parties, which is not in ordinary course of business or at arm's length during the financial year 2021-22. The Company has laid down policies and processes/ procedures so as to ensure compliance to the subject section in the Companies Act, 2013 (Act) and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.

- a) Name(s) of the related party and nature of relationship: Not Applicable
- b) Nature of contracts/ arrangements/ transactions: Not Applicable
- c) Duration of the contracts/arrangements/transactions: Not Applicable
- d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- e) Justification for entering into such contracts or arrangements or transactions: Not Applicable
- f) Date(s) of approval by the Board: Not Applicable
- g) Amount paid as advances, if any: Not Applicable
- h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: Not Applicable

2. Details of contracts or arrangements or transactions at Arm's length basis.

Sr. No.	Name of Related Parties	Nature of Relationship	Nature of contracts/ arrangements/ transactions	Duration of Contracts / arrangements/ transactions	Salient terms of the Contracts or arrangements or transactions including the value, if any. (Amount in Cr.)	Date(s) of approval by the Board, if any.	Amount paid as advance , if any.
1	M/s. Dada Organics (Proprietorship of Dineshbhai B. Pandya)	Associated Concern	Purchase of goods	2022-23	Purchase: 14669.54	In the Board meetings held in Financial year 2022-23	Nil

Note: All related party transactions are benchmarked for arm's length, approved by Audit Committee and reviewed by Statutory Auditors. The above disclosures on material transactions are based on threshold of 10 percent of consolidated turnover and considering wholly owned subsidiaries are exempt for the purpose of Section 188(1) of the Act.

For, Add-Shop E-Retail Limited

Place: Rajkot
Date: 05.09.2023

SD/-
Dineshbhai B. Pandya
Managing Director
DIN: 06647303

"Annexure II"
SECRETARIAL AUDIT REPORT
For the financial year ended March 31, 2023
MR-3

**[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]**

To
The Members,
ADD-SHOP E-RETAIL LIMITED
B-304 Imperial Height, 150ft Ring
RoadRajkot - 360005

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Add-Shop E-Retail Limited [CIN: L51109GJ2013PLC076482]** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to me and the representations made by the management, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2023, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and maintained by the Company for the financial year ended on 31st March, 2023 and made available to me according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made there under as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**Not applicable to the Company during the audit period**);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and 2015, as amended from time to time;

During the year all entries to be maintained as per the prescribed regulations

were entered into excel format and hence is tamperable in nature and in violation of compliance of Structured Digital Database in terms of Regulation 3(5) and 3(6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations).

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014(**Not applicable to the Company during the audit period**);
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008(**Not applicable to the Company during the audit period**);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client(**Not applicable as the Company is not registered as a Registrars to an Issue or Share Transfer Agent during the financial year under review**);
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009(**Not applicable to the Company during the audit period**); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998(**Not applicable to the Company during the audit period**);
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - **Under regulation 23(9) of the LODR 2015 the company has not make disclosure of Related Party Transactions within fifteen days from the date of publication of its standalone and consolidated financial result for the half year ended on 30th September 2022. However on advisory of stock exchange company submitted it and has pay fine for late submission of Rs. 11800/- during the year.**
 - **The company has not filed statement of deviation within forty five days from end of quarter ended on 31st December 2022. The company has late submitted the statement of deviation for the quarter ended on 31st December 2022 to the stock exchange, however management response on this that they inadvertently forgot to file the compliance but as soon as management came to know about this, they filed the same to the stock exchange.**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with Stock Exchange pursuant to Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Though During the Audit Period the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company

- Local taxes as applicable in the state of Gujarat;

During the period under review the Company has generally complied with the all material aspects of applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc.

I further report that:

- a) The Compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.
- b) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes if any in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- c) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- d) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

I further report that during the period under audit, the following specific events / actions having major bearing on the Company's affairs have taken place in pursuance of the above referred laws, rules, regulations and standards:

1. During the financial year 2022- 23, the Company has Increase Authorized Capital of the Company from INR 22,50,00,000/- (Indian Rupees Twenty Two Crores Fifty Lacs Only) to INR 35,00,00,000/- (Indian Rupees Thirty Five Crore Only) by Alteration of the Capital Clause V of the Memorandum of Association in EOGM dated 09/04/2022 through special resolution.
2. During the year Company has made allotment by way of right issue of Equity Shares 90,56,255 (Ninety Lakhs Fifty Six Thousand and Two hundred Fifty Five Only) of Rs. 10 each for cash at price of Rs. 54/- in a ratio of 1:1 on 06th Day of September 2022

Date: 05.09.2023

Place: Rajkot

Peer review Certificate: No.S2022GJ880300

UDIN : F011885E000945831

**For, H. T. LODHIYA & ASSOCIATES
Company Secretary**

**(CS. Hetal Lodhiya)
Proprietor**

M.No.F11885 CP.No. 24296

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

Annexure A

To
The Members,
ADD-SHOP E-RETAIL LIMITED
B-304 Imperial Height, 150ft Ring
RoadRajkot - 360005

My report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test-check basis to ensure that correct facts are reflected Annexure to the Secretarial Audit Report in secretarial records. I believe that the process and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test-check basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 05.09.2023
Place: Rajkot
Peer review Certificate: No.S2022GJ880300
UDIN: F011885E000945831

For, H. T. LODHIYA & ASSOCIATES
Company Secretary

(CS. Hetal Lodhiya)
Proprietor
M.No.F11885 CP.No. 24296

Annexure B

List of documents verified

To,
The Members,
ADD-SHOP E-RETAIL LIMITED
B-304 Imperial Height, 150ft Ring
RoadRajkot - 360005

1. Memorandum and Articles of Association of the Company.
2. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, CSR committee and Independent Directors Meeting along with attendance register held during the period under report.
3. Minutes of General Body meetings held during the period under report.
4. Statutory registers records under the Companies Act, 2013 and Rules made there under namely:
 - Register of the Directors and the Key Managerial Personnel
 - Register of the Directors' shareholding
 - Register of loans, guarantees and security and acquisition made by the Company
 - Register of Members.
5. Declarations received from the Directors of the Company in Form MBP-1 pursuant to the provisions of Section 184 of the Companies Act, 2013.
6. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 (with or without additional fees) and attachments thereof during the period under report.
7. Communications/ Letters, issued to and acknowledgements received from the Independent Directors for their appointment.
8. Various policies framed by the Company from time to time as required under the Companies Act, 2013.

Practicing Company Secretary Certificate on Non-Disqualification of Directors

To,
The Members of
Add-Shop E-Retail Limited
304 Imperial Height, 150ft Ring Road
Rajkot -360005

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of ADD-SHOP E-RETAIL LIMITED having CIN: L51109GJ2013PLC076482 and having registered office at B-304 Imperial Height, 150ft Ring Road Rajkot 360005 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company	Date of Resignation
1.	Dineshbhai Bhanushankar Pandya	06647303	20/08/2013	-
2.	Jayshree Dineshbhai Pandya	06647308	25/12/2017	--
3.	Deviben Dineshbhai Pandya	07905047	10/05/2018	19/08/2023*
4.	Dev Dineshbhai Pandya (Director & CFO)	07905073	10/05/2018	19/08/2023*
5.	Jigar Dineshkumar Pandya	07905076	10/05/2018	19/08/2023*
6.	Rajeshkumar Rasiklal Parekh	08139094	26/05/2018	--
7.	Dadhania Vivek Gopalbhai	08165978	25/06/2018	--
8.	Rushabh Vora	08165987	25/06/2018	19/08/2023*
9.	Yagnik Dilipbhai Mundadiya	08165999	25/06/2018	19/08/2023*
10.	Kinjal Jasmatbhai Khunt	08166013	25/06/2018	--
11.	Pradipkumar Harjibhai Lathiya - CFO	AHRPL4946N	21/08/2023	--
12.	Dhaval Sureshkumar Raychura Company Secretary	MEM. 47108 OF ICSI	01/09/2023	-

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

- There was no any change in board of directors of the company during the year however after closing of financial year, before approval of board of directors report there is resignations of directors and appointment of CFO under review.

Date: 05.09.2023
Place: Rajkot

HETAL TEJASH LODHIYA
FCS No.: 11885
C.P. No.: 24296
UDINF011885E000945884 :

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

i) AN OVERVIEW:

The Company Add-Shop E-Retail Limited is engaged in the business of manufacturing, marketing and distribution of products in the categories of Ayurveda products, food supplement products, agricultural products, animal feed supplement products and personal care products under the brand name "Add-Shop". In this present competitive era of medicines and food supplements, our company is aiming to focus on ways to bridge the nutrition gap, which is a recognized cause of any diseases, by promoting Ayurveda and its products, the Government of India has also introduced several projects to assist the agriculture sector which is ensuring better growth prospects in the said Industry. Foreseeing the growth in the agricultural sector, company intends to tap the growth opportunity by pushing sales through a wide range of agro products. Company is a fellow member of Federation of Direct Selling association vide membership number FDSA/F/10,

ii) INDIAN ECONOMY & HEALTH CARE INDUSTRY:

The world economy in 2022-23 faced high uncertainty due to the continued impact of adverse events of the last three years– notably the COVID-19 pandemic and Russia's invasion of Ukraine. Inflation rates have skyrocketed to multi-decade highs in many countries, causing central banks to raise interest rates and slow down economic activity to bring inflation back to their targets. In early 2023, the world economy had started showing signs of stabilizing after the adverse shocks of the previous year, but this progress was disrupted by recent financial sector disturbances. Some financial institutions that relied heavily on low interest rates have been caught off guard by the rapid pace of rate increases, causing financial stress and raising concerns about stability. In such a scenario, the world economy saw growth of 3.4% with Advanced Economies growing at 2.7% and Emerging Markets posting an increase of 4% 2022 (Source: IMF World Economic Outlook April 2023).

Returning to the growth rate as seen before the series of shocks that hit the world in 2022 and the recent financial sector disruptions is becoming increasingly difficult. The tightening of global financial conditions is further hindering the recovery process, resulting in slower income growth and increased unemployment in several economies. Consequently, the outlook for economic growth in the medium term seems less optimistic. As a result, IMF has forecasted growth to fall to 2.8% in 2023 before rising to 3.0% in 2024, which is still lower than the 3.4% growth seen in 2022.

Driven by the pent-up demand, widespread vaccination coverage, rising employment and substantially higher private consumption, India recovered from repeated waves of COVID-19 pandemic shock to overtake the UK and become the fifth-largest economy in the first quarter of FY 2022-23. However, with the global economy entering a phase of severe slowdown, India could not remain insulated from these developments. As the year progressed, India's economic growth slowed and dropped to 4.4% in the October-December quarter from 6.3% in July September. The slowdown resulted from an easing of pent-up pandemic-era demand, continuing weakness in the manufacturing sector, and the fading of the pandemic's low base effect. But in the fourth quarter, India's economic growth accelerated to 6.1%, boosted by government and private capital spending. This has resulted in full year growth of 7.2%, a level that makes it the world's fastest-growing major economy

iii) INDUSTRY STRUCTURE AND DEVELOPMENTS:

Several structural factors are likely to contribute to economic growth in the long run. These include favorable demographics, reducing dependency ratio, rapidly rising education levels, steady urbanization, growing young & working population, IT revolution, increasing penetration of mobile & internet infrastructure, increasing aspirations and affordability etc. The growth of the Ayurvedic products market was driven by the rising popularity of natural and organic medicines, in confluence with the growing awareness regarding the benefits of these medicines among the consumers.

Moreover, the improving accessibility of Ayurvedic products in both urban as well as rural regions further invigorated the sector's growth. Penetration of some Ayurvedic products increased significantly during the year with a growing number of young consumers adopting this time-tested remedy to build their immunity.

The market for herbal products has increased. The huge marketing and promotional activities by the herbal companies and rising awareness about benefits of using herbal products has accelerated the size of the industry.

With the economic environment becoming uncertain, not only are consumers more thoughtful about their consumption but also more conscious of their savings and investments. The consumption priorities are also driven by the health and safety concerns and the other behavioral changes adopted because of the pandemic.

The Indian Government has undertaken deep structural and sustained reforms to strengthen the healthcare sector and has also announced conducive policies for encouraging FDI. The Aatmanirbhar Bharat Abhiyaan packages include several short-term and longer-term measures for the health system, including Production-Linked Incentive (PLI) schemes for boosting domestic manufacturing of pharmaceuticals and medical devices. Additionally, India is working towards becoming a hub for spiritual and wellness tourism, as the country has much to offer in Ayurveda and Yoga.

India's medium to long term growth and its positive impact on private consumption will be determined by inter-play of demographics, urbanization and policy reforms. Young population, women workforce, growing middle class and nuclearization will be some of the growth drivers in this growth.

iv) OPPORTUNITIES AND THREATS:

Company has been continuously innovating to ensure that the traditional knowledge of Ayurveda remains in sync with the changing needs and aspirations of millennials and centennials, the Company not only increased its R&D spends but also ensured that innovations are targeted to meet the consumer needs and are quick to reach the market company also launch a E-Application for Rapidly Expansion of Company's E-Retail business.

Apart from this, today, over 46,000 families are involved in this self-employment generating activity of spreading health to everyone and more than 80,000 Authorized Distributors who have a presence in more than 25 states throughout the country

Company work hard to improve its infrastructure and network, with a focus on increasing distribution channels, adding more channel partners, and hiring more farmers as associates. The Company is also using technology to expand its company; plans are in the works to create an online portal to investigate the increasing e- commerce potential. In addition, an application for digitising process is being created. The company is also constructing a food processing facility and intends to join the export market as soon as possible, With robust expansion plan in place, we are very sure about our future performance."

Threats

- Emerging premium and health focused segments
- Competition
- Availability and price of raw materials
- Government policies and levies
- Lack of scientific evidence makes it difficult to convince people
- Growing ability to address rural and semi-urban demand

v) RISK AND CONCERNS:

The herbal industry with high investment cost, patent issues and low profit margin that make the small- scale industries sustenance tough. The industry for its sustenance need to be export oriented, but product variability and poor tie-ups with foreign countries makes it challenging to target

international market. The product variability is affected due to lack of process standardization. Finally, inadequate interest regarding scientific studies impacts the product development, validation and standardization.

vi) INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY:

The Company has implemented proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorised, recorded and reported properly, applicable statutes and corporate policies are duly complied with.

The Company has an Audit Committee with Independent Directors as members. The mechanism of internal control and checks are reviewed by the management, and statutory auditors from time to time and suitable changes/ modifications are implemented so as to ensure that an effective scheme of checks and balances exists at all times. The management is reasonably satisfied with the existing internal control systems. The Audit Committee of Board of Directors also reviews these matters from time to time in their meetings.

vii) OPERATIONAL PERFORMANCE & OUTLOOK:

(Amt in Lakhs)

PARTICULARS	YEAR ENDED 31.03.2023	YEAR ENDED 31.03.2022
Income for the year	19988.41	15965.31
Other Income	-	-
Total Income	19988.41	15965.31
Profit/Loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	2902.46	2491.09
Less: Depreciation & Amortization Expenses	54.21	46.33
Profit/loss before Finance Costs, Exceptional items and Tax Expense	2848.25	2444.76
Less: Finance Cost	99.82	99.48
Profit/loss before Exceptional items and Tax Expense	2748.43	2345.28
Add/(less): Exceptional items	0	0
Profit/loss before Tax Expense	2748.43	2345.28
Less: Tax Expense:		
Current Tax	680.37	428.70
Short /Excess Provision of Previous Year	145.03	0.00
Deferred Tax	6.79	7.90
Profit/loss for the year (1)	1916.25	1908.68
Total Comprehensive Income/ loss (2)	0	0
Total (1+2)	1916.25	1908.68
Earnings per share (Face value Rs. 10/-) Basic & Diluted (In Rupees)	7.86	9.91

For the year ended 31st March, 2023, your Company has reported total revenue Rs. 19988.41 lakhs compared to Rs.15965.31 lakhs in the previous financial year. The Company's Profit for the year before depreciation, interest and taxation has been Rs. 2902.46 lakhs (P.Y. Rs. 2491.09 lakhs) and the Net Profit after interest, depreciation, prior period adjustments & taxes are Rs. 1916.25 lakhs (P.Y. Rs.1908.68 lakhs).

The Company continues to explore the possibilities of expansion and will make the necessary investments when attractive opportunities arise.

viii) HUMAN RESOURCES AND INDUSTRIAL RELATIONS:

The Company firmly believes that motivated and empowered employees are the cornerstone of

competitive advantage. The Company's employee value proposition is based on a strong focus on employee development, providing a satisfying work environment, performance appraisal and counseling and appropriate empowerment. The Company continues to maintain and enjoy a cordial relationship with its employees, providing positive environment to improve efficiency with regular investments in upgrading the knowledge and skills of the employees.

Industrial relations with staff and workmen during the year under review continued to be cordial.

ix) ACCOUNTING POLICIES

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year. The financial statements have been prepared under the historical cost convention on an accrual basis. The management accepts responsibility for the integrity and objectivity of the financial statements, as well as for the various estimates and judgment used therein.

x) DISCLOSURE OF ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENT: The Company has followed all relevant Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) while preparing Financial Statements.

xi) CAUTIONARY STATEMENT:

This report contains forward- looking statements based on the perceptions of the Company and the data and information available with the company. The company does not and cannot guarantee the accuracy of various assumptions underlying such statements and they reflect Company's current views of the future events and are subject to risks and uncertainties. Many factors like change in general economic conditions, amongst others, could cause actual results to be materially different. The Company does not assume any obligation for such variations.

For, Add-Shop E-Retail Limited

Date: 05.09.2023
Place: Rajkot

Dineshbhai B. Pandya
Managing Director
DIN:06647303

"Annexure"

Information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and remuneration) Rules, 2014

- (i) The ratio of the remuneration of Directors and Key Managerial Personnel to the median remuneration of the employees of the Company for the financial year 2022-23.

Sl. No.	Name of Director and KMP	Designation	Ratio of the remuneration of each Director/KMP to median remuneration of employees	% increase in Remuneration
1	Dineshbhai Pandya	Managing Director	21.65	100%
2	Jayshree Pandya	Non-Executive Director	5.41	50%
3	Deviben Pandya*	Executive Director	5.41	50%
4	Jigar Pandya*	Executive Director	5.41	50%
5	Devang Pandya*	Executive Director cum CFO	5.41	50%
6	Rajeshkumar Parekh	Independent Director	NA	NA
7	Vivek Dadhania	Independent Director	NA	NA
8	Rushabh Vora*	Independent Director	NA	NA
9	Yagnik Mundadiya*	Independent Director	NA	NA
10	Kinjal Khunt	Independent Director	NA	NA
11	Nirajkumar Malaviya*	Company Secretary	1.35	38%

* Resigned after closure of financial year 2022-23.

- (ii) The percentage increase in the median remuneration of the employees of the Company for the Financial Year 2022-23: 23.09%
- (iii) The number of permanent employees on the rolls of the Company: 23
- (iv) Average percentage increase already made in the salaries of employees other than the key managerial personnel in financial year 2022-23 and its comparison with the percentage increase in the managerial remuneration:

(Amount in lakhs)

Remuneration paid to employees (excluding managerial personnel) for the FY 2021-22	Remuneration paid to employees (excluding managerial personnel) for the FY 2022-23	(%) Change in remuneration paid to employees (excluding managerial personnel)	Remuneration paid to managerial personnel for the FY 2021-22	Remuneration paid to managerial personnel for the FY 2022-23	(%) change in remuneration paid to managerial personnel
67.91 lakhs	93.58 lakhs	37.80%	84.00 lakhs	150.00 lakhs	78.57%

- (v) Affirmation that the remuneration is as per the remuneration policy of the Company the remuneration is as per the Remuneration Policy of the Company.

For, Add-Shop E-Retail Limited

Place: 05.09.2023
Date: Rajkot

Dineshbhai Bhanushankar Pandya
Managing Director
DIN: 06647303

ANNEXURE to Directors' Report

CORPORATE SOCIAL RESPONSIBILITY POLICY

The Company has already constituted a Corporate Social Responsibility ("CSR") Committee, and has aligned its CSR Policy in accordance with the Companies Act, 2013 ('the Act') read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 to make it compliant with the provisions of the Act and the Rules and to undertake the admissible CSR activities notified by the Ministry of Corporate Affairs in Schedule VII to the Act.

1. A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and reference to the web-link to the CSR policy and projects or programmes:

The CSR Policy of the Company has been formulated and adopted in terms of Section 135 of the Companies Act, 2013 and the Rules made thereunder. The Company undertakes CSR activities specified in Schedule VII to the Companies Act, 2013.

During the current financial year 2022-23, the average net profit for the last three financial years is Positive calculated in accordance with the provisions of Section 198 of the Act. Therefore, the Company is required to spend any amount on CSR activities for financial year 2022-23. Please refer the Corporate Social Responsibility Policy on the Company's website

2. Composition of CSR Committee:

Sr. No.	Name of Director	Committee Chairman/ Member	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Dineshbhai Bhanushankar Pandya	Chairperson	Executive Director	3	3
2	Jayshree Dineshbhai Pandya	Member	Non-Executive - Non Independent Director	3	3
3	Rajeshkumar Rasiklal Parekh	Member	Non-Executive - Independent Director	3	3

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: www.addshop.in
4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. : NOT APPLICABLE
5. (a) Average net profit of the company as per section 135(5): 1179.00 lakh
(b) Two percent of average net profit of the company as per section 135(5): 23.58 lakh
© Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

ADD-SHOP E-RETAIL LIMITED
B-304 IMPERIAL HEIGHT, 150FT RING ROAD, Rajkot, RAJKOT, Gujarat, India, 360005
Contact : 0281 – 2363023 E-Mail : investor@addshop.co
CIN : L51109GJ2013PLC076482

(d) Amount required to be set off for the financial year, if any: Nil

(e) Total CSR obligation for the financial year (7a+7b-7c): 23.58 lakh

6. (a) Amount Spent on CSR PROJECTS (both ongoing project and other than ongoing Project) :

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local Area (Yes/no)	(5) Location of the Project.		(6) Amount spent for the project (₹ in Lakh)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Matrushini Nirmalaben Mansukhlal Kamdar - Parasdharm -Kolkata	Promoting education, manav seva, health, Animal Welfare etc	No	West Bengal	Kolkata	45.00	Yes	N.A	N.A
TOTAL						45.00			

(b) Amount Spent In Administrative Overheads: nil

© Amount Spent on Impact Assessment If applicable. NOT APPLICABLE

(d) Total Amount Spent for Financial Year (a+b+d) : 45 lakhs

(e) CSR amount spent or unspent for the financial year: 2022-23

Total Amount Spent for the Financial Year (₹ in Lakh)	Related to which Financial Year	Amount Unspent (in Rs.)				
		Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
		Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
45.00 Lakh	2022-23	Not Applicable		Not Applicable		

(f) Excess amount for set off, if any: 16.42 Lakh

Sr. No	Particulars	Amount (in Lakhs)
1	Two percent of average net profit of the company as per section 135(5)	23.58 lakh
2	Total amount spent for the financial year 2022-23	45.00 Lakh
3	Excess amount spent for the financial year [(2)-(1)]	21.42 Lakh
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
5	Amount available for set off in succeeding financial years [(3)+(4)]	21.42 Lakh

7. a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable
8. Whether any capital assets have been created or acquired through Corporate Social Responsibility
Amount spent in the Financial Year: No
9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

**For and on behalf of
the Corporate Social Responsibility
Committee
Add-shop E-Retail Limited**

**Dineshkumar Pandya
Chairman,
DIN: 00036049**

**Place: Rajkot
Date: 05.09.2023**

Independent Auditor's Report

To
The Members of
ADD-SHOP E-RETAIL LIMITED
AHMEDABAD

Report on the Financial Statements

We have audited the accompanying IND AS Financial Statements of **ADD-SHOP E-RETAIL LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), and the Statement of Changes in Equity and statement of Cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023, and its profit and loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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 financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

Information Other than the 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 Management Discussion and Analysis Report, Board's Report including Annexures to Board's Report, and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

The above mentioned reports are expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the above mentioned reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions as per the applicable laws and regulations.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("**the Act**") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other Comprehensive Income, cash flows and Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder. 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; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2020 ("**the Order**") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we further report that:

- (i) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

- (ii) 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.
- (iii) The Balance Sheet, Statement of Profit and Loss including other comprehensive income, Cash Flow Statement and statement of changes in equity dealt with by this Report are in agreement with the books of account.
- (iv) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended.
- (v) On the basis of written representations received from the directors as on March 31, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
- (vi) With respect to adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**”,
- (vii) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- (viii) With respect to other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
 - iii) There were no amounts which were required to be transferred to the Investors Education and Protection Fund by the Company.
 - iv) A] The Management has represented that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by

or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

B] the management has represented, that, to the best of their knowledge and belief, no funds have been received by the company from any person(s) or entity (ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

C] Based on such audit procedures, nothing has come to our notice that has caused them to believe that the representations under sub-clause (A) and (B) contain any material mis-statement.

v) The Company has not declared or paid dividend during the year.

For J S Maheshwari & Co
Chartered Accountants
Registration No. 001318C

CA Dilip Maliwal
Partner
M No 148387
UDIN : 23148387BGTCKZ3037

Place - Ahmedabad
Date – 29th May, 2023

Annexure 'A' to the Independent Auditor's Report

Referred to in paragraph 1 under the heading "Report on Other Legal And Regulatory Requirements" of Our Independent Audit Report of even date on the Financial Statements of ADD-SHOP E-RETAIL LIMITED for the year ended 31st March, 2023.

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

1. In respect of the Company's Property, Plant & Equipment:

a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets as required by the Act.

(B) The company has maintained proper records showing full particulars of intangible assets.

b) The Property, Plant & Equipment of the Company were physically verified in full by the management during the year. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us, the records examined by us and based on the examination, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the Balance Sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.

d) The Company has neither revalued its Property, Plant & Equipment nor Intangible Assets.

e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

2. In respect of Inventory and Working Capital

a) The inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.

b) Yes, The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. the quarterly returns or statements filed by the company with financial institutions

or banks in agreement with the books of account of the Company.

3. Details of Investments, any guarantee, security, advances or loans given

a) According to information and explanation given to us, the company has made investment and granted loan and advances in the nature of loan, provided guarantees to the persons other than associates, subsidiaries and joint ventures as follow:

Particulars	Amount in Lacs (Loans)	Amount in Lacs (Guarantee)	Amount in Lacs (Investment)
Aggregate amount of loan granted/ Guarantee provided/Investments made during the year	0.00	0.00	0.00
Balance outstanding as at balance sheet date in respect of above case	0.00	0.00	0.00

b) The terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest;

c) In respect of loans and advances in the nature of loans, schedule of repayment of principal and payment of interest has not been stipulated.

d) As the repayment terms has not been stipulated all the Loans are repayable on demand hence there is no instances of overdue.

e) No loans are fallen due during the year.

f) The Company has granted Loans as mentioned in point 3 (a) [B]. 100% loans are repayable on demand and without specifying any terms or period of repayment.

(Amount Rs. In Lakhs)

Sr. No.	Particulars	Amount of Loan or Advance in nature of Loan granted during the period	Outstanding Balance as on 31st March, 2023
1)	Loan Granted to Promoters	Nil	Nil
2)	Loan Granted to Related Parties	Nil	Nil

	excluding Promoters		
--	---------------------	--	--

4. In our opinion and according to information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the order is not applicable.

5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits and accordingly paragraph 3 (v) of the order is not applicable.

6. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.

7. In respect of statutory dues:

a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues as applicable have been generally regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

b) Detail of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty and Value Added Tax which have not been deposited as on 31 March, 2023 on account of disputes are given below:

Name of Statute	Nature of dues	Amount (Rs. In Lakhs)	Period to which amount related	From where the dispute is pending
The Income Tax Act, 1961	Income Tax demand	0.09	A.Y.2015-16	CIT (Appeal)
The	Income Tax	4.72	A.Y.2017-	CIT

Income Tax Act, 1961	demand		18	(Appeal)
The Income Tax Act, 1961	Income Tax demand	9.95	A.Y.2018-19	CIT (Appeal)
The Income Tax Act, 1961	Income Tax demand	0.67	A.Y.2019-20	CIT (Appeal)

8. No, As per the information and explanation given to us by the company the company has not made any transactions which were not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

9. Default in repayment of Borrowing:

a) According to the information and explanations given to us, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institutions and banks. The Company does not hold any debentures.

b) The Company is not declared wilful defaulter by any bank or financial institutions or any other lender

c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

d) No, The fund raised on short term basis are not have been utilized for long term purposes.

e) No, The Company has not taken any funds from any entity or person on account of or to meet the obligations of its associate company.

f) No, The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

10. a) In our opinion and according to the information and explanations given to us, The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). However the company has raised money during the current reporting period by way of right issue, prima facie, applied by the company for the purposes for which it was raised.

b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement.

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

b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

c) During the period there were no whistle-blower complaints received by us.

12. The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.

13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable. The details of such transactions have been disclosed in the financial statements as required by the applicable Accounting Standards.

14. a) Yes, The Company has an internal audit system commensurate with the size and nature of its business;

b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.

16.

a) According to the information and explanations given to us and based on our examination of the records of the company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

b) According to the information and explanations given to us the company has not conducted any Non-banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;

c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India

d) As represented by the management, the Group does not have Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016.

17. The company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

18. The Statutory Auditor has not resigned from the company during the year and hence the clause is not applicable.

19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, in our opinion no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;

20. A] There are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act.

B] There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.

21. Qualifications or Adverse auditor remarks in other Group Companies:

Consolidated Financial Statements are not applicable to the Company hence this clause is not applicable.

For J S Maheshwari & Co
Chartered Accountants
Registration No. 001318C

CA Dilip Maliwal
Partner
M No 148387
UDIN : 23148387BGTCKZ3037

Place - Ahmedabad
Date - 29th May, 2023

Annexure - B to the Independent Auditors' Report

Referred to in paragraph 2(F) under the heading "Report on Other Legal And Regulatory Requirements" of Our Independent Audit Report of even date on the Financial Statements of **ADD-SHOP E-RETAIL LIMITED** for the year ended 31st March, 2023.

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

We have audited the internal financial controls over financial reporting of **ADD-SHOP E-RETAIL LIMITED** ("the Company") as of 31 March, 2023 in conjunction with our audit of the Ind As financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For J S Maheshwari & Co
Chartered Accountants
Registration No. 001318C

CA Dilip Maliwal
Partner
M No 148387
UDIN : 23148387BGTCKZ3037

Place - Ahmedabad
Date - 29th May, 2023

ADD-SHOP E-RETAIL LIMITED			
B-304 Imperial Height 1150ft Ring Road, Rajkot, Gujarat-360005			
(CIN: L51109GJ2013PLC076482)			
Balance Sheet as at 31st March, 2023			
(Rs. In Lakhs)			
Particulars	Note No.	As At 31.03.2023 Rs.	As At 31.03.2022 Rs.
I ASSETS			
1 Non-current Assets			
a) Property, Plant & Equipment	2	647.88	698.91
b) Intangible Assets		1.02	1.02
c) Capital Work-in-Progress		-	-
d) Deferred tax assets (net)		-	-
e) Financial Assets:			
(i) Investments		-	-
(ii) Trade Receivable		-	-
(iii) Loans		-	-
(iii) Others	3	-	0.50
f) Other non-current assets	4	88.88	3.07
Total Non-Current Assets		737.79	703.50
2 Current Assets			
a) Inventories	5	2,807.08	1,946.76
b) Financial Assets:			
(i) Trade Receivables	6	10,406.60	2,275.66
(ii) Cash and cash equivalents	7	43.34	109.32
(iii) Loans	8	1,089.21	34.75
c) Current Tax Assets (Net)		-	-
d) Other Current Assets	9	1.01	-
Total Current Assets		14,347.25	4,366.49
Total Assets		15,085.03	5,069.99
II EQUITY & LIABILITIES			
A Equity			
a) Equity Share Capital	10	2,831.30	1,925.67
b) Other Equity	11	7,856.36	2,013.22
Total Equity		10,687.65	3,938.89
B Liabilities			
1 Non-current Liabilities			
a) Financial Liabilities:			
(i) Borrowings	12	78.51	328.40
(ii) Trade Payable		-	-
b) Provisions		-	-
c) Deferred Tax Liabilities (net)	13	23.18	16.39
d) Other Non Current Liabilities		-	-
Total Non-Current Liabilities		101.68	344.79
2 Current Liabilities			
a) Financial Liabilities:			
(i) Borrowings	14	19.67	1.95
(ii) Trade Payable	15	3,560.14	335.39
(iii) Other Financial Liabilities		-	-
b) Other Current Liabilities	16	9.83	7.15
c) Provisions	17	25.69	13.12
c) Current Tax Liabilities (Net)	18	680.37	428.70
Total Current Liabilities		4,295.70	786.31
Total Liabilities		4,397.38	1,131.10
Total Equity & Liabilities		15,085.03	5,069.99
Significant Accounting Policies			
1			
Notes forming part of the Financial Statements			
As per our report of even date		For and on behalf of the Board	
For J S Maheshwari & co		ADD-SHOP E-RETAIL LIMITED	
Chartered Accountants			
Registration No. 001318C			
		Dineshbhai B. Pandya	Jigar D. Pandya
		Managing Director	Director
		DIN: 06647303	DIN: 07905076
Dilip Maliwal			
Partner			
M No 148387		Nirajkumar Malaviya	Dev Pandya
Place - Ahmedabad		Company Secretary	CFO
Date - May 29, 2023		PAN: CAKPM4097D	PAN: CALPP1419F
UDIN: 23148387BGTCCKZ3037			

ADD-SHOP E-RETAIL LIMITED
B-304 Imperial Height 1150ft Ring Road, Rajkot, Gujarat-360005
(CIN: L51109GJ2013PLC076482)
Statement of Profit and Loss for the Year ended 31st March,2023

		Rs. In Lakhs	
Particulars	Note No.	2022-23	2021-22
INCOME			
(I) Revenue from Operations	19	19,988.41	15,965.31
(II) Other Income	20	-	-
(III) Total Income (I) + (II)		19,988.41	15,965.31
EXPENSES			
(IV) Cost of Material Consumed		-	-
Purchase of traded goods		16,009.36	13,129.16
Changes in inventories of finished goods, work in progress & Stock in	21	(860.33)	(1,163.43)
Employee benefits expenses	22	243.58	151.91
Finance Costs	23	99.82	99.48
Depreciation and amortization expenses		54.21	46.33
Other expenses	24	1,693.34	1,356.58
Total Expenses (IV)		17,239.98	13,620.03
(V) Profit before Exceptional Items & Taxes		2,748.43	2,345.28
(VI) Exceptional Items - (Net)		-	-
(VII) Profit before tax (V)-(VI)		2,748.43	2,345.28
(VIII) Tax Expenses :			
(1) Current tax		680.37	428.70
(2) Deferred tax		6.79	7.90
(3)Short/Excess provision for previous year		145.03	-
		832.18	436.60
(IX) Profit for the Period (VII)-(VIII)		1,916.25	1,908.68
(X) Other Comprehensive Income			
A(i) items that will not be reclassified to profit or loss		-	-
(ii) income tax relating to items that will not be reclassified to profit or loss		-	-
B(i) items that will be reclassified to profit or loss		-	-
(ii) income tax relating to items that will be reclassified to profit or loss		-	-
(XI) Total Comprehensive Income for the Period [(IX)+(X)] (Comprising Profit and Other Comprehensive Income for the period)		1,916.25	1,908.68
(XII) Earning Per Equity Share(Nominal Value per Share:(Rs. 10)	25		
1. Basic		7.86	9.91
2. Diluted		7.86	9.91

Significant Accounting Policies

1

Notes forming part of the Financial Statements

As per our report of even date
For J S Maheshwari & co
Chartered Accountants
Registration No. 001318C

For and on behalf of the Board
ADD-SHOP E-RETAIL LIMITED

Dineshbhai B. Pandya
Managing Director
DIN: 06647303

Jigar D. Pandya
Director
DIN: 07905076

Dilip Maliwal
Partner
M No 148387
Place - Ahmedabad
Date - May 29, 2023
UDIN: 23148387BGTCKZ3037

Nirajkumar Malaviya
Company Secretary
PAN: CAKPM4097D

Dev Pandya
CFO
PAN:CALPP1419F

ADD-SHOP E-RETAIL LIMITED
B-304 Imperial Height 1150ft Ring Road, Rajkot, Gujarat-360005
(CIN: L51109GJ2013PLC076482)

Statement of Changes in Equity

For the year ended 31st March, 2023

(Rs. In Lakhs)

A. Equity Share Capital

As at 31.03.2021	1,132.97
Movement during the year on account of Bonus shares issued	792.70
As at 31.03.2022	1,925.67
Movement during the year on account of Bonus shares issued	905.63
As at 31.03.2023	2,831.30

B. Other Equity

Particulars	Reserves and Surplus		Total
	Securities Premium	Retained Earnings	
Balance as at 1st April,2021	-	897.23	897.23
Profit for the year	-	1,908.68	1,908.68
Other Comprehensive Income for the Year	-	-	-
Total Comprehensive Income for the Year	-	1,908.68	1,908.68
Bonus Shares Issued by capitalizing	-	(792.70)	(792.70)
Balance as at 31st March,2022	-	2,013.22	2,013.22
Balance as at 1st April,2022	-	2,013.23	2,013.23
Addition during the year	3,926.88	-	3,926.88
Profit for the year	-	1,916.25	1,916.25
Other Comprehensive Income for the Year	-	-	-
Total Comprehensive Income for the Year	-	1,916.25	1,916.25
Bonus Shares Issued by capitalizing	-	-	-
Balance as at 31st March,2023	3,926.88	3,929.48	7,856.36

The accompanying notes are an integral part of the financial statements

As per our report of even date
For J S Maheshwari & co
Chartered Accountants
Registration No. 001318C

For and on behalf of the Board
ADD-SHOP E-RETAIL LIMITED

Dineshbhai B. Pandya
Managing Director
DIN: 06647303

Jigar D. Pandya
Director
DIN: 07905076

Dilip Maliwal
Partner
M No 148387
Place - Ahmedabad
Date - May 29, 2023
UDIN: 23148387BGTCKZ3037

Nirajkumar Malaviya
Company Secretary
PAN: CAKPM4097D

Dev Pandya
CFO
PAN: CALPP1419F

ADD-SHOP E-RETAIL LIMITED
B-304 Imperial Height 1150ft Ring Road, Rajkot, Gujarat-360005
(CIN: L51109GJ2013PLC076482)
Cash Flow statement for the year ended 31st March 2023

Particulars	March 31,2023	March 31,2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax as per Statement of Profit and Loss	2,748.43	2,345.28
Adjusted for:		
Depreciation	54.21	46.33
Finance Cost	99.82	99.48
Loss on sale of fixed assets	5.78	3.95
Other Inflows/ (Outflows) of cash	-	-
Operating Profit before working capital changes	2,908.24	2,495.04
Adjusted for:		
(Increase)/Decrease in Trade Receivables	(8,130.93)	895.45
Increase/(Decrease) in Trade Payables	3,224.75	(913.72)
(Increase)/Decrease in Inventories	(860.33)	(1,163.42)
Increase/(Decrease) in Other Financial Liabilities	-	(141.81)
Increase/(Decrease) in Other Current Liabilities	2.67	(18.43)
Increase/(Decrease) in Provisions	12.57	3.54
(Increase)/Decrease in Loans	(1,056.89)	(33.00)
Increase/(Decrease) in Current Tax Liabilities	-	-
(Increase)/Decrease in Other Current Assets	(1.01)	0.31
Cash Generated from Operations	(3,900.93)	1,123.97
Adjusted for:		
Income Tax	(573.73)	(252.97)
Net Cash from Operating activities	(4,474.66)	871.00
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment	(8.97)	(278.37)
(Increase)/ Decrease in Non- Current Assets	(82.88)	-
Sales of Fixed Assets	-	-
C. Net Cash Flow from Investing Activities	(91.85)	(278.37)
Cash Flow from Financing activities:		
Finance Cost	(99.82)	(99.48)
Proceeds / (Repayment) of Borrowings	(232.17)	(435.51)
Net Proceeds from Right Issue (Net of Expenses)	4,832.51	-
Net cash from Financing Activities	4,500.53	(535.00)
Net cash from Financing Activities		
Net Increase/(Decrease) in cash	(65.98)	57.63
Opening Balance of Cash & Cash equivalents	109.32	51.68
Closing Balance of Cash & Cash equivalents	43.34	109.32

The accompanying notes are an integral part of the financial statements

As per our report of even date
For J S Maheshwari & co
Chartered Accountants
Registration No. 001318C

Dilip Maliwal
Partner
M No 148387
Place - Ahmedabad
Date - May 29, 2023
UDIN: 23148387BGTCKZ3037

For and on behalf of the Board
ADD-SHOP E-RETAIL LIMITED

Dineshbhai B. Pandya
Managing Director
DIN: 06647303

Jigar D. Pandya
Director
DIN: 07905076

Nirajkumar Malaviya
Company Secretary
PAN: CAKPM4097D

Dev Pandya
CFO
PAN: CALPP1419F

ADD-SHOP E-RETAIL LIMITED
"2" Property, Plant & Equipment and Intangible Assets

Rs In Lakhs

PARTICULARS	Land	Factory Building	Plant & Machinery	Electric Installation & Fittings	Furniture & Fixtures	Computer	Printer	Air Conditioner	Motor Vehicle	Office Equipment	TOTAL TANGIBLE ASSETS	INTANGIBLE ASSETS- SOFTWARE	CAPITAL WORK IN PROGRESS
Gross Carrying Amount as at March 31,2021	6.21	251.71	52.69	0.65	8.44	12.21	0.21	1.24	167.44	14.34	515.14	20.57	-
Additions	-	20.23	200.83	1.33	24.24	-	-	3.73	40.01	2.01	292.38	-	-
Disposals/ Deduction	-	-	-	-	-	-	-	-	17.95	-	17.95	-	-
Gross Carrying Amount as at March 31,2022	6.21	271.94	253.52	1.98	32.68	12.21	0.21	4.97	189.50	16.35	789.57	20.57	-
Additions	-	-	2.23	2.76	6.78	5.68	0.14	2.03	-	4.35	23.97	-	-
Disposals/ Deduction	-	-	-	-	-	-	-	-	20.78	-	20.78	-	-
Gross Carrying Amount as at March 31,2023	6.21	271.94	255.75	4.74	39.46	17.89	0.35	7.00	168.72	20.70	792.76	20.57	-
Accumlated Depreciation/ Amortization and Impairment													
Balance as at March 31,2021	-	7.65	6.64	0.14	1.51	10.52	0.13	0.44	13.39	6.67	47.09	16.78	-
Depreciation for the year	-	4.14	12.20	0.14	1.28	0.43	0.07	0.64	20.43	4.23	43.57	2.77	-
Depreciation on Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31,2022	-	11.79	18.84	0.28	2.79	10.95	0.20	1.08	33.82	10.90	90.66	19.55	-
Depreciation for the year	-	4.62	16.18	0.28	3.67	1.60	0.10	1.25	21.21	5.31	54.21	-	-
Depreciation on Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31,2023	-	16.40	35.02	0.56	6.46	12.55	0.30	2.33	55.03	16.21	144.87	19.55	-
Net Carrying Amount													
As at March 31,2023	6.21	255.54	220.72	4.17	33.00	5.34	0.05	4.67	113.69	4.49	647.88	1.02	-
As at March 31,2022	6.21	260.16	234.67	1.70	29.89	1.26	0.01	3.89	155.68	5.45	698.91	1.02	-

Note: The Company has elected to continue with the carrying value for all of its property, plant & equipment as recognized in the financial statements as the date of transition to IND AS. i.e. 1st April,2019 measured as per previous GAAP and use that as its deemed cost as at the date of transition.

Sr. No	Particulars	As At 31.03.2023	As At 31.03.2022
"3"	Financial Assets - Others		
	Others: Unsecured, considered good		
	Advance Recoverable in Cash or in Kind	-	0.50
		<u>-</u>	<u>0.50</u>
"4"	Other Non Current Assets		
	Security Deposits*	6.00	3.07
	Share Issue Expenses not written off	82.88	-
		<u>88.88</u>	<u>3.07</u>
	Note : * : Regrouping of the Assets as per the Schedule III (Ind AS) Division II		
"5"	Inventories		
	(As taken, valued & certified by the Management)		
	(At lower of cost and net realisable value)		
	Finished Goods	2,807.08	1,946.76
		<u>2,807.08</u>	<u>1,946.76</u>
"6"	Trade Receivables		
	Undisputed Trade Receivables		
	(i) Considered Good		
	Less than 6 months	7,441.78	1,846.75
	6 months to 1 year	1,566.13	154.54
	1-2 year	1,161.70	274.37
	2-3 years	236.99	-
	More than 3 years	-	-
	(i) Considered Doubtful	-	-
	Disputed Trade Receivables		
	(i) Considered Good	-	-
	(i) Considered Doubtful	-	-
		<u>10,406.60</u>	<u>2,275.66</u>
"7"	Cash and cash equivalents		
	Balances with Bank		
	- In Current Accounts	17.23	100.39
	- In CC Accounts	5.02	-
	Cash on hand	21.09	8.93
		<u>43.34</u>	<u>109.32</u>
"8"	Current Loans		
	a) Loans/ Advance to Directors/ KMP/ Related parties:		
	Promoters	-	-
	Directors	-	-
	KMPs	-	-
	Related Parties	-	-
	b) Other Loans : (Unsecured, considered good)		
	Advances recoverable in cash or in kind for value to be received		
	Statutory Authorities	-	22.43
	Advance to staff	25.56	0.52
	Advance Tax	28.35	-
	Advance for capital Goods	985.00	-
	Advance to Suppliers	50.30	11.80
		<u>1,089.21</u>	<u>34.75</u>
"9"	Other Current Assets		
	Prepaid Exp.	1.01	-
		<u>1.01</u>	<u>-</u>

(ii) Terms of Re-payment of Loan

Particulars	Rate of Interest	Original Loan Amount	Repayment Terms
1) ICICI Bank Vehicle Loan	7.55%	1,00,00,000	To be repaid in 84 months starting from December, 2020 with instalment of Rs. 153598
2) HDFC Bank Car Loan	7.10%	33,07,998	To be repaid in 60 months starting from January,2022 with instalment of Rs. 65660

Note: The rate of Interest is subject to change in Repo rate

"13" Deferred Tax Liabilities

Opening Balance	16.39	8.49
Add:		
Timing Difference between tax WDV and carrying values of Property, Plant and Equipments	6.79	7.90
Closing Balance		
	<u>23.18</u>	<u>16.39</u>

"14" Current Financial Liabilities - Borrowings

Particulars	As At 31.03.2023	As At 31.03.2022
Secured Loan		
Current Maturity of Long term Borrowing	19.67	1.95
	<u>19.67</u>	<u>1.95</u>

The Company is availing bank loan at 7-9% of rate of interest (as mentioned below) which is secured by hypothecation charge on book debt, stock, plant & machinery & industrial shed of the Company. The said loan is further secured by commercial and residential property given by the Managing Director of the Company along with personnel guarantee of Promoters Directors of the Company.

"15" Current Liabilities - Trade Payables

Unsecured, repayable on Demand:		
i) Due to Micro and Small Enterprises	-	-
ii) Other than due to Micro and Small Enterprises		
Outstanding for less than 1 year	3,560.14	335.39
Outstanding for 01-02 years	-	-
Outstanding for 02-03 years	-	-
Outstanding for More than 3 years	-	-
iii) Disputed dues- MSME	-	-
iv) Disputed dues- Others	-	-
	<u>3,560.14</u>	<u>335.39</u>

"16" Other Current Liabilities

(i) GST Payable	4.53	-
(ii) Provisions for TDS/ TCS	5.01	3.83
(iii) Advance from custoemors	0.29	3.32
	<u>9.83</u>	<u>7.15</u>

"17" Current Provisions

(i) Distributor Commission	-	-
(ii) Provisions for employees benefits	25.69	13.12
(iii) Unpaid Audit Fee	-	-
(iv) Other Provisions	-	-
	<u>25.69</u>	<u>13.12</u>

"18" Current Tax Liabilities (Net)

(i) Current tax provision (Net)	680.37	428.70
	<u>680.37</u>	<u>428.70</u>

	As At 31.03.2023	As At 31.03.2022
"19" Revenue from Operations		
a) Sale of Products (Net)	19,988.41	15,965.31
b) Sale of Services	-	-
c) Other Operating Revenues	-	-
	19,988.41	15,965.31
"20" Other Income		
a) Kasar & Vatav	-	-
b) Other Misc. Income	-	-
	-	-
"21" Changes in Inventories of Finished goods, Work-in-progress and Stock-in-trade		
Stock at the beginning of the year		
Finished Goods	1,946.76	783.33
Total-A	1,946.76	783.33
Stock at the end of the year		
Finished Goods	2,807.08	1,946.76
Total-B	2,807.08	1,946.76
(Increase) / Decrease in Stocks (A-B)	(860.33)	(1,163.43)
"22" Employees Benefits Expenses		
(a) Directors Remuneration	150.00	84.00
(b) Salaries and Bonus	84.86	59.79
(c) Contribution to Provident Fund & other fund	7.83	6.37
(d) Employees Welfare & other Amenties	0.88	1.75
	243.58	151.91
"23" Finance Cost		
Interest Expenses	94.53	98.08
Bank & Other Charges	5.28	1.40
	99.82	99.48
"24" Other Expenses		
Advertising Exp	10.30	31.24
Charity Exp	187.94	-
CSR Expenditure and other donation	45.00	21.24
Discount Expenses	254.97	334.35
Distributor Incentive & Commission Exp	941.40	761.75
Electricity Exp	2.95	2.43
Event Management Exp	94.00	59.95
Insurance Exp	6.83	3.99
Legal Fees	35.87	37.97
Loss on sale of Car	5.78	3.95
Repair & Maintenance Exp	1.75	-
Right Issue Exp	9.38	-
Rent, Rates & Taxes	2.79	22.22
Office & Factory Expenses	21.55	15.66
Outgoing Transportation Exp	31.42	30.58
Software Exp	14.88	12.56
Stationery, Printing & Packing Material Exp	8.02	8.23
Telephone Exp.	0.43	0.64
Travelling Exp	15.03	4.50
Vehicle Repairing Exp.	3.06	5.32
	1,693.34	1,356.58

"25" Earning Per Equity Share		
1.Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	1,916.25	1,908.68
2. Number of equity shares used as denominator for calculating EPS	2,43,67,902	1,92,56,701
3. Basic and Diluted Earning per Share	7.86	9.91
4. Face Value per equity share (in Rs)	10.00	10.00

"26" Earning in Foreign Exchange **Nil** **Nil**

"27" Related Party Disclosures under IND AS 24

Related Parties/Nature of Relationship :

Enterprises over which Key Managerial Personnel exercises significant influence

- A.
- Dada Organics
 - Dada Organics Limited
 - Dadaji Lifescience Private Limited

B. **Key Managerial Persons**

Mr. Dineshbhai B Pandya	Promoter- Managing Director
Mrs. Jayshree D. Pandya	Promoter- Director
Ms. Deviben D. Pandya	Promoter- Director
Mr. Devang D. Pandya	Promoter- Director
Mr. Jigar D. Pandya	Promoter- Director
Mr. Rajeshkumar R. Parekh	Independent Director
Mr. Vivek G. Dadhania	Independent Director
Mr. Rushabh Vora	Independent Director
Mr.Yagnik D. Mundadiya	Independent Director
Ms. Kinjal J. Khunt	Independent Director

Nature of Transaction	FY 2022-23	FY 2021-22
Key Managerial Personnel		
Director Remuneration		
Mr. Dineshbhai B Pandya	72.00	36.00
Mrs. Jayshree D. Pandya	18.00	12.00
Ms. Deviben D. Pandya	18.00	12.00
Mr. Devang D. Pandya	18.00	12.00
Mr. Jigar D. Pandya	18.00	12.00
Enterprise over which KMP exercise significant influence		
Purchase - Dada Organics	14,669.64	13,001.64
Expense - Dadaji Lifescience Private Limited	1.50	-
Advances Given		
Dadaji Lifescience Private Limited	1,814.63	-
Advances received back		
Dadaji Lifescience Private Limited	1,813.13	-
Outstanding Payable		
Key Managerial Personnel		
Mr. Dineshbhai B Pandya	10.00	3.00
Mrs. Jayshree D. Pandya	2.00	1.00
Ms. Deviben D. Pandya	2.00	1.00
Mr. Devang D. Pandya	2.00	1.00
Mr. Jigar D. Pandya	2.00	1.00
Dada Organics	-	325.68
Dada Organics Limited	3,557.51	-

"28" Financial Instruments

Particular	Carrying Value		Fair Value	
	March 31,2023	March 31,2022	March 31,2023	March 31,2022
Financial Assets				
Amortised cost				
Trade receivables	10,406.60	2,275.66	10,406.60	2,275.66
Cash and cash equivalents	43.34	109.32	43.34	109.32
Loans and Advances (Current)	1,089.21	34.75	1,089.21	34.75
Loans and Advances (Non Current)	-	0.50	-	0.50
FVTOCI				
Investment in equity instruments	-	-	-	-
FVTPL				
Investment in equity instruments (Unquoted)	-	-	-	-
Total Assests	11,539.15	2,420.24	11,539.15	2,420.24
Financial Liabilities				
Amortised cost				
Long Term Borrowings	78.51	328.40	78.51	328.40
Trade payables	3,560.14	335.39	3,560.14	335.39
Other Financial Liabilities	-	-	-	-
Short Term Borrowings	19.67	1.95	19.67	1.95
Total Liabilities	3,658.32	665.74	3,658.32	665.74

Short Term Borrowings

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- i) Long-term fixed-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected losses of these receivables.
- ii) Fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non- performance risk as at March 31, 2023 was assessed to be insignificant.
- iii) The fair values of the unquoted equity shares, if any have been estimated using a discounted cash flow model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility, the probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

"29" Financial Risk Management

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and interest rate risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counter parties, taking into account their financial position, past experience and other factors.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to Bad debt is not significant. Also the Company doesnot enter into sales transaction with customers having credit loss history. There are no significant Credit risk with related parties of the Company. The Company's is exposed to Credit risk in the event of non payment of customers. Credit risk concentration with respect to Trade Receivables is mitigated by the Company's large customer base. Adequate expected credit losses are recognised as per the assessment.

The history of Trade receivables shows an allowance for bad and doubtful debts of Rs Nil (Nil as at March 31,2022). The Company has made allowance of Rs Nil (Nil as at March 31,2022) against Trade receivable of Rs. 10,406.60 lacs (Rs. 2275.66 Lacs as at March 31,2022).

Bank Deposits

The company maintains its cash and cash equivalents and bank deposits with reputed and highly rated bank. Hence, there is no significant credit risk on such deposits.

Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk through credit limits with banks.

The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The working capital position of the Company is given below :

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash and Cash equivalents	43.34	109.32
Total	43.34	109.32

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2023 and March 31, 2022.

Particulars	As at	Less than 1 year	1-2 years	More than 2 years
Borrowings	31/03/2023	19.67	21.19	57.32
	31/03/2022	91.98	90.03	238.37
Trade Payables	31/03/2023	3560.14		-
	31/03/2022	335.39	-	-
Other Financial Liabilities	31/03/2023	-	-	-
	31/03/2022	-	-	-

"30" Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The capital structure is as follows :

(Rs in Lakhs)

Particulars	March 31, 2023	March 31, 2022
Total equity attributable to the equity share holders of the	10,687.65	3,938.89
As percentage of total capital	99.09%	92.26%
Current borrowings	19.67	1.95
Non-current borrowings	78.51	328.40
Total borrowings	98.18	330.35
As a percentage of total capital	0.91%	7.74%
Total capital (borrowings and equity)	10,785.83	4,269.23

"31" Trade Payable to MSME

According to the information available with the Management, on the basis of intimation received from suppliers regarding status of Micro, Small And Medium Enterprise Development Act, 2006, the Company has amount due to Micro and Small enterprise under the said Act as on 31.03.2023 is as under:-

Particulars	2022-23	2021-22
Principal Amount Due	-	-
Interest Due on above	-	-
Amount of interest paid in terms of Section 16 of MSME Act, 2006	-	-
Amount of interest due and payable for the period of delay	-	-
Amt of interest accrued and remaining unpaid as at year end	-	-
Amt. of further interest remaining due and payable in the	-	-

"32" Events Occurring After Balance - Sheet

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 29th May,2023 there were no subsequent events to be recognised or reported that are not already disclosed."

"33" Segment Information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

The Company's only business segment is in Herbal , Ayurvedic and Agro Commodity ,hence the disclosure of segment wise information as required by Ind AS 108 on "Segment Reporting" is not applicable .

"34" Contingent Liabilities and Commitment

"35" Compliance with number of layers of companies: The Company does not have any Subsidiary Company.

"36" Registration of charges or satisfaction with Registrar of Companies – There is no charge created by the Company.

"37" Relationship with Struck off Companies: Not Applicable

"38" Wilful Defaulter : The Company has not been declared as Wilful Defaulter by any Bank or Financial Institutions or Government or any Government Authority

Details of Benami Property held : No proceedings have been initiated during the year or are pending against the Company as at

"39" March 31, 2023 for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder

"40" Capital WIP : Not Applicable

"41" Intangible assets under development : Not Applicable

"42" In the opinion of the Board of Directors, Current Assets, Loans and Advances have a value of realization equivalent to the amount at which they are stated in the Balance Sheet. Adequate provisions have been made in the accounts for all the known liabilities.

"43" Previous Years Figures have been re-grouped/ re-arranged wherever consider necessary.The Companies has complied the above accounts based on the revised/modified schedule III as applicable for the accounting period 2022-23. The disclosure requirement are made in the notes to accounts for by way of additional statements. The other disclosure required by the Companies Act, are made in the notes to accounts

"44"

Ratios	2022-23	2021-22	% of Change
Current Ratio	3.34	5.55	-39.86%
Debt Equity Ratio	0.01	0.09	-87.10%
Debt Service coverage ratio	24.29	7.70	215.42%
Return on Equity Ratio	26%	64%	-59.03%
Inventory Turnover Ratio	6.37	8.77	-27.29%
Trade Receivables turnover ratio	3.15	5.86	-46.23%
Trade payables turnover ratio	4.50	39.15	-88.51%
Net capital turnover ratio	1.99	4.46	-55.41%
Net profit ratio	10%	12%	-19.81%
Return on Capital employed	26%	57%	-53.74%
Return on investment	18%	48%	-63.00%

Current Ratio : decreased primarily due to increase in Trade payable

Debt Equity Ratio : As the company has repaid its debt significantly hence debt equity ratio decreased

Debt Service coverage ratio : the company has repaid its debt significantly hence this ratio is increased

Return on Equity Ratio : It is decreased as company's total equity increased as compared to previous year

Inventory Turnover Ratio: It is decreased due to increase in average inventory.

Trade Receivables turnover ratio : It is decreased as company's overall trade receivable increased

Trade payables turnover ratio : It is decreased as company's overall trade payable increased

Net capital turnover ratio: The variance is due to increase in turnover of the company

Net profit ratio : The variance is due to increase in turnover

Return on Capital employed : The variance is due to increase in Capital Employed

Return on investment : The variance is due to increase in Capital Employed

Ratios	Numerator	Denominator
Current Ratio	Current Assets	Current Liabilities
Debt Equity Ratio	Debt Capital	Shareholder's Equity
Debt Service coverage ratio	EBITDA-CAPEX	Debt Service (Int+Principal)
Return on Equity Ratio	Profit for the year	Average Shareholder's Equity
Inventory Turnover Ratio	COGS	Average Inventory
Trade Receivables turnover ratio	Net Sales	Average trade receivables
Trade payables turnover ratio	Total Purchases	Closing Trade Payables
Net capital turnover ratio	Sales	Working capital (CA-CL)
Net profit ratio	Net Profit	Sales
Return on Capital employed	Earnings before interest and tax	Capital Employed
Return on investment	Net Profit	Investment

"45"

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. As per the provisions of Section 135 of the Companies Act, 2013 the Company was required to spend amount as mentioned below:

	(₹ in Lakhs)	
	For the year ended 31/03/2023	For the year ended 31/03/2022
a). Amount Required to be spent during the year	23.58	8.74
b). Amount of expenditure incurred,	45.00	8.74
c). Shortfall at the end of the year,	-	-
d). Total of previous years shortfall	-	-
e). Reasons for shortfall	-	-
f). Nature of CSR Activities include promoting education & medical relief	-	-

"46" Utilisation of Borrowed Fund or Equity Capital and purpose:

The Company has not taken any Loan from Bank or Financial Institution during the period under review. The Company had raised fund vide issuing 90,56,255 equity shares having face value of Rs. 10/- each at a premium of Rs. 44/- equity shares aggregating to Rs. 4890.38 Lakhs by way of right issue. The said funds are being utilised for the purpose of which it was raised the details of the same are as under

(₹ in Lakhs)

Sr No	Object of the issue	Amount to be utilised	Amount actually utilised
1	Funding the working capital requirements of the Company	4620.38	4632.51
2	General Corporate Purpose	200.00	200.00
3	Issue Expense	70.00	57.87
	Total	4890.38	4890.38

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2023

COMPANY INFORMATION / OVERVIEW

ADD-SHOP E-RETAIL LIMITED (“the Company”) is a public limited Company having its registered office situated at B-304, Imperial Heights, 150 Ft Ring Road, Rajkot- 360005. The Company is engaged in the business of manufacturing and trading of herbal, ayurvedic and agro commodities and having a PAN India presence of its product under retail chain model.

The financial statements were authorised for issue in accordance with a resolution of the directors on 29th May, 2023.

“1” SIGNIFICANT ACCOUNTING POLICES:

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules,2016.

The financial statements have been prepared on the historical cost basis, except for certain financial instruments (including derivative instruments) which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Fair value for measurement and/or disclosure purposes in the financial statements is determined on such a basis, except for leasing transactions that are within the scope of IND AS 116 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

The financial statements are presented in Indian rupees (INR) and all values are rounded to the nearest lacs, except otherwise indicated.

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of the products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities

CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of sale/lease

- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of sale/lease
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.”

USE OF ESTIMATES

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

REVENUE RECOGNITION

Revenue is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. The Company is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. However, Goods and Services tax (GST) are not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Sale of Goods:

Revenue from sales is recognized when the substantial risks and rewards of ownership of goods are transferred to the buyer and the collection of the resulting receivables is reasonably expected. This usually occurs upon dispatch, after the price has been determined and collection of the receivable is reasonably certain. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Sale of Services:

The Company recognizes revenue when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured.

Other income:**Interest**

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

PROPERTY, PLANT & EQUIPMENT

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Items such as spare parts, stand-by equipment and servicing equipment are recognised in accordance with this Ind AS 16 when they meet the definition of property, plant and equipment. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalized as the activities undertaken improves the economic benefits expected to arise from the asset.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

Advances paid towards the acquisition of Property, Plant & Equipment outstanding at each reporting date is classified as Capital advances under Other Non –Current Assets and assets which are not ready for intended use as on the date of Balance sheet are disclosed as “Capital Work in Progress.”

DEPRECIATION/ AMORTISATION

Depreciation on Property, Plant & Equipment is charged on Straight Line Method. Depreciations are charged over the estimated useful lives of the assets as specified in Schedule II of the Companies Act, 2013. Depreciation in respect of additions to/and deletion from assets has been charged on pro-rata basis from/till the date they are put to commercial use.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at regular intervals and adjusted prospectively, if appropriate.

Depreciation on additions/deletions to Property plant and equipment during the year is provided for on a pro-rata basis with reference to the date of additions/deletions.

Depreciation on subsequent expenditure on Property plant and equipment arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life. Depreciation on refurbished/revamped Property plant and equipment which are capitalized separately is provide for over the reassessed useful life

IMPAIRMENT OF ASSESTS

Property, Plant & Equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less cost of disposal and value in use.

BORROWING COST

Borrowing costs that are attributable to the acquisition or construction of qualifying assets (assets which require substantial period of time to get ready for its intended use) are capitalized as part of the cost of that asset. All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

INVENTORIES

Inventories are valued at the lower of cost and net realizable value. Cost incurred in bringing each products to its present location and condition are accounted for as follows:-

- **Finished goods and Work In Progress:**
Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost in determined on first in, first out basis.

- **Traded Goods:**
Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

Net realizable values is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

TAXATION

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in Profit or Loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents for the purpose of Cash Flow Statement comprise Cash and Cheques in hand, bank balances, demand deposits with banks (other than deposits pledged with government authorities and margin money deposits) with an original maturity of three months or less.

CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or

accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions: Provisions are recognized when there is a present obligation as result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

Contingent Liabilities : Contingent liabilities are not provided for in the books but are disclosed by way of notes in the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets: Contingent Assets are neither recognized nor disclosed in the financial statements.

EARNINGS PER SHARE (EPS)

The earnings considered in ascertaining the Company's earnings per share comprise the net profit after tax (and include post tax effect of any extraordinary items.) The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises of the weighted average number of shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises of the weighted average shares considered for deriving basic earning per share, and also the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

RELATED PARTY TRANSACTIONS

Related party transactions are transfer of resources or obligations between related parties, regardless of whether a price is charged. Parties are considered to be related, if one party has the ability, directly or indirectly, to control the other party of exercise significant influence over the other party in making financial or operating decisions. Parties are considered to be related if they are subject to common control or common significant influence.

SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided by Chief Financial Officer and Director of the Company jointly and responsible for allocating resources, assess the financial performance of the Company and make strategic decisions.

The Company has identified one reportable segment "trading of textile products" based on information reviewed by them.

DIVIDEND:

Dividend declared is provided in books of account when the same is approved by shareholders'.

EMPLOYEE BENEFITS

- **Short-term Obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

- **Post Employee Obligations**

The Company operates the following post-employment schemes:

- defined contribution plans such as provident fund.

- **Gratuity obligations**

The Company had an obligation towards gratuity – a defined benefit retirement plan covering eligible employees. The plan provides a lump sum payment to vested employees at retirement, death while in employment or on termination of an employment of an amount equivalent to 15 days salary payable for each completed years of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service and is payable thereafter on occurrence of any of above events.

As per information provided by the Company, there are no employees who have served more than 5 years.

- **Defined contribution plans**

Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

FOREIGN CURRENCY TRANSACTIONS

Initial Recognition:

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Subsequent Recognition:

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined. All monetary assets and liabilities in foreign currency are reinstated at the end of accounting period. Exchange differences on reinstatement of all monetary items are recognised in the Statement of Profit and Loss.

FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

FINANCIAL ASSETS**Initial recognition and measurement**

All financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets are initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement**❖ Classification**

For the purpose of subsequent measurement, the Company classifies financial assets in following categories:

- **Financial assets at amortized cost**
Financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses, if any. Interest income and impairment are recognized in the Statement of Profit and Loss.
- **Financial assets at fair value through other comprehensive income (FVTOCI)**
These assets are subsequently measured at fair value through other comprehensive income (OCI). Changes in fair values are recognized in OCI and on derecognition, cumulative gain or loss previously recognized in OCI is reclassified to the Statement of Profit and Loss. Interest income calculated using EIR and impairment loss, if any, are recognized in the Statement of Profit and Loss.
- **Financial assets at fair value through profit or loss (FVTPL)**
These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognized in the Statement of Profit and Loss.

Financial assets are not reclassified subsequent to their recognition except if and in the period the Company changes its business model for managing for financial assets.

De-recognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Any gain or loss on derecognition is recognised in the Statement of Profit and Loss.

Impairment of financial assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, lease receivable, trade receivable other contractual rights to receive cash or other financial assets. For trade receivable, the Company measures the loss allowance at an amount equal to life time expected credit losses. Further, for the measuring life time expected credit losses allowance for trade receivable the Company has used a practical expedient as permitted under Indian AS 109. This expected credit loss allowance is computed based on provisions, matrix which takes into account historical credit loss experience and adjusted for forward looking information.

FINANCIAL LIABILITIES

Initial recognition and measurement

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial liabilities are initially measured at amortized cost unless at initial recognition, they are classified as fair value through profit or loss. In case of trade payables they are initially recognize at fair value and subsequently, these liabilities are held at amortized cost, using the Effective interest method.

Classification and subsequent measurement

Financial liabilities are classified as measured at amortised cost or FVTPL.

A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the Statement of Profit and Loss.

Financial liabilities other than classified as FVTPL, are subsequently measured at amortized cost using the effective interest method. Interest expense is recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Statement of Profit and Loss.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on subsequently different terms, or the terms of an existing liability are

subsequently modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of the new liability. The difference in the respective carrying amount is recognize in the Statement of Profit & Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Company entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

Segmental Reporting

The Company's segmental reporting is in accordance with Ind AS 108 Operating Segments. Operating segments are reported in a manner consistent with the internal reporting provided to the board of directors, which is responsible for allocating resources and assessing performance of the operating segments and has been identified as the chief operating decision maker.