

07th
ANNUAL REPORT
2019-2020

ADD-SHOP E-RETAIL LIMITED
(Formally Known as Add-Shop Promotions Limited)
[CIN: L51109GJ2013PLC076482]

CIN: L51109GJ2013PLC076482

Annual General Meeting (AGM)

Tuesday, 29th September, 2020

Through

Video Conferencing (“VC”)/ Other
Audio Visual Means (OAVM)

Time

03:00 P.M

Registrar and Share Transfer Agent

Cameo Corporate Services Limited
Subramanian Building,
1, Club House Road,
Chennai – 600 005

Auditors

M/s. Loonia & Associates
218, Ground Floor, New Cloth Market,
Opp: Raipur Gate,
Ahmedabad-380002.

Board of Directors

DINESHBHAI BHANUSHANKAR PANDYA
Managing Director

JAYSHREE DINESHBHAI PANDYA
Non executive director

DEVIBEN DINESHBHAI PANDYA
Executive director

DEVANG DINESHBHAI PANDYA
Executive director

JIGAR DINESHKUMAR PANDYA
Executive director

RAJESHKUMAR RASIKLAL PAREKH
Independent Director

VIVEK GOPALBHAI DADHANIA
Independent Director

RUSHABH VORA
Independent Director

YAGNIK DILIPBHAI MUNDADIYA
Independent Director

KINJAL JASMATBHAI KHUNT
Independent Director

NIRAJKUMAR MALAVIYA
Company Secretary & Compliance Officer

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

Email: investor@addshop.co.in

Tel. No. 0281-2580499

Web Site: www.addshop.co

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NOTICE

Notice is hereby given that the 07th Annual General Meeting of the members of **ADD-SHOP E-RETAIL LIMITED** (Formally Known as Add-Shop Promotions Limited) will be held at 03:00 P.M. on Tuesday, 29th day of September, 2020 **through Video Conferencing (“VC”)/ Other Audio Visual Means (OAVM)**, to transact the following businesses:

Ordinary Business:

1. To consider and adopt the Balance Sheet as at 31st March, 2020, Profit & Loss Account and Cash Flow Statement of the Company for the financial year ended on that date together with reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Deviben Dineshbhai Pandya (DIN: 07905047), who retires by rotation and being eligible, offers himself for re-appointment.

“**RESOLVED THAT** pursuant to the provisions of Section 152(6) of the Companies Act, 2013 and the rules made thereunder, Ms. Deviben Dineshbhai Pandya (DIN: 07905047), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as Director of the Company, liable to retire by rotation.”

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 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), as recommendation by the Audit Committee, Board of Directors of the Company, appointed M/s. Loonia & Associates, Chartered Accountants (Membership No. 135424, FRN: 130883W), Ahmedabad, Gujarat, as Statutory Auditors of the Company from this AGM and they shall hold the office from the conclusion of this Annual General Meeting until the conclusion of fifth Annual General Meeting of the Company at such remuneration as may be agreed upon between the Auditor and the Board of Directors of the Company.”

“**RESOLVED FURTHER THAT** Board of Directors and any other KMP be and are hereby authorized to sign and submit all necessary e-Forms and other documents with the Registrar of Companies(ROC), Gujarat and to do all such acts, deeds and things as may be necessary to give effect to the above resolution.”

Special Business:

4. To approve Related Party Transactions

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) with M/s. Dada Organics, a proprietary firm and Dada Organics Private Limited., a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for sale or purchase or sale, on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value of 35 Crore for the financial year 2020-21, 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.”

“RESOLVED FURTHER THAT such approval shall also empower the Company to transact with such other parties / entities, in addition to the existing related parties to the Company in which said Directors are interested and which may come into existence on any future date(s) or may fall under the category of a related party / entity to the Company in future.”

“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.”

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

**Place: Rajkot
Date: 29.08.2020**

**Nirajkumar Malaviya
Company Secretary**

Notes:

1. In view of continuing Covid-19 pandemic, the Ministry of Corporate Affairs has come up with General Circular No. 20/2020 dated 05th May, 2020 that allow companies to hold Annual General Meeting (AGM) in the manner detailed in General Circular No. 14/2020, dated 08th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020 through Video Conferencing (VC) and Other Audio-Visual Means (OAVM), without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Circulars issued by the Regulators, the AGM of the Company is being held through VC/OAVM.
2. Members as on the cut-off date of 21st September, 2020 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.
3. 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.
4. 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) and vote on their behalf to the scrutinizer by email to cskjco@gmail.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.
5. 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.
6. 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 07th 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.

7. 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 07th AGM and the Annual Report for the year ended 31st March, 2020 including therein the Audited Financial Statements for the Financial Year 2019- 20, 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 07th AGM and the Annual Report for the Financial Year 2019-20 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 email id: investor@addshop.co
 - b. For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.
8. 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.
9. Members holding shares in dematerialized 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.

10. 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 have furnished the requisite consents/declarations for their appointment/re-appointment.
11. The facility for joining the meeting shall be kept open at least 15 minutes before the time scheduled to start the meeting and shall not be closed till the expiry of 5 minutes after such scheduled time.
12. The Company has engaged the service of Central Depository Services (India) Limited, for assisting the Members for casting of votes by remote e-voting as well as the e-voting system on the date of the AGM and VC facility shall also be provided by CDSL.
13. 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.
14. Since the AGM is held through VC/OAVM, the Route Map is not annexed in this Notice.
15. The facility of participation at the AGM through VC/OAVM will be made available to maximum number of 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.
16. M/s. K. Jatin & Co., Company Secretaries, Ahmedabad (COP: 12043), 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.
17. During the 07th AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the 07th AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the 07th 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 07th AGM.

18. The Scrutinizer shall after the conclusion of e-Voting at the 07th 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 07th AGM, who shall then countersign and declare the result of the voting forthwith.
19. 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.
20. 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:
21. Members whose email addresses are not registered with the depositories can register the same for obtaining login credentials for e-voting for the resolutions proposed in this Notice in the following manner:
 - a. For Physical Shareholders-Please provide necessary details like Folio No., Name of Member, 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 email ID: **investor@addshop.co**
 - b. 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), and AADHAR (self attested scanned copy of Aadhar Card) to the Company email id: **investor@addshop.co**. It is clarified that for permanent registration of email address, the Members are however requested to register their email address, in respect of electronic holdings with the Depository through the concerned Depository Participants.

- c. The Company / RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.
22. Instructions for attending the AGM through VC/OAVM and E-Voting during the AGM are as under:
- a. Members will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at <https://www.evotingindia.com> under shareholders/Members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/Members login where the EVSN of Company will be displayed.
 - b. Members are encouraged to join the Meeting through Laptops / I-Pads for better experience.
 - c. Further, Members will be required to allow camera and use Internet with a good speed to avoid any disturbance during the meeting.
 - d. 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.
 - e. Members 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 5 (five) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at Company mail id: investor@addshop.co The Members who do not wish to speak during the AGM but have queries may send their queries in advance at least 5 (Five) days prior to the meeting mentioning their name, demat account number/folio number, email id, mobile number at Company mail ID investor@addshop.co. These queries will be replied to by the company suitably by email.
 - f. Those Members who have registered themselves as speakers will only be allowed to express their views/ask questions during the meeting.
 - g. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned separately for Remote e-voting.

- h. Only those Members, 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.
- i. If any votes are cast by the Members through the e-voting available during the AGM and if the same Members have not participated in the meeting through VC/OAVM facility, then the votes cast by such Members shall be considered invalid as the facility of e- voting during the meeting is available only to the Members attending the meeting.
- j. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

23. Instructions for remote e-voting / Voting through Electronic Means:

- 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 from time to time, and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Add-Shop E-Retail Limited (Formally known as Add-Shop Promotions Limited) (“the Company”) is pleased to offer e-voting facilities to the Members to cast their votes electronically on all the resolutions set forth in the Notice convening the 7th Annual General Meeting (“AGM”) scheduled to be held on Tuesday, September 29, 2020, at 03.00 P.M. The Company has engaged the services of Central Depository Services Limited (CDSL) to provide e-voting facility. The e-voting facility is available at the link www.evotingindia.com
- (i) The voting period begins at 09.00 a.m. IST on Saturday, September 26th, 2020 and ends at 5.00 p.m. IST on Monday September 28th, 2020. During this period, Members of the Company, holding shares either in physical form or in d-materialized form (as on the cut-off date which is Monday, September 21st, 2020), may cast their vote electronically. The voting rights of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on this cut-off date. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Members who have already voted prior to the meeting date would not be entitled to vote at the meeting.
 - (i) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (ii) Click on Shareholders / Members
 - (iii) Now Enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

[OR]

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be

also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Add-Shop E-Retail Limited> on which you choose to vote.
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvi) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(xviii) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xx) The facility for voting through ballot paper shall also be made available at the AGM and the members attending the meeting shall be able to exercise their right to vote at the meeting through ballot paper in case they have not casted their vote by remote e-voting.
- (xxi) The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- (xxii) The Company has appointed Mr. Jatin Kapadia, Practicing Company Secretaries, as the scrutinizer for conducting the e-voting process as well as the poll/voting process at the Annual General Meeting (AGM) in a fair and transparent manner and submits a report thereon.
- (xxiii) The Scrutinizer shall, after the conclusion of voting at the Annual General Meeting (AGM), first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of

the conclusion of the Annual General Meeting (AGM), a consolidated scrutinizer's report of the total votes cast to the Chairman of the Annual General Meeting (AGM) who shall countersign the same and declare the results of the voting forthwith.

- (xxiv) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.addshop.co and shall also be communicated to the BSE Limited, on which shares of the Company are listed.

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

**Place: Rajkot
Date: 29.08.2020**

**Nirajkumar Malaviya
Company Secretary**

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

Item No. 3 Appointment of Statutory Auditor.

As recommended by the Audit Committee, Board of Directors of the Company, appointed M/s. Loonia & Associates, Chartered Accountants (Membership No. 135424, FRN: 130883W), Ahmadabad, Gujarat, as Statutory Auditors of the Company from this AGM and they shall hold the office from the conclusion of this Annual General Meeting until the conclusion of fifth Annual General Meeting of the Company at such remuneration as may be agreed upon between the Auditor and the Board of Directors of the Company.

M/s. Loonia & Associates., Chartered Accountants (Firm Registration No. 130883W), 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.

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

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said resolution except to the extent of their shareholding in the Company.

The Board recommends the Ordinary Resolution set forth in Item No. 3 of the Notice for approval of the Members.

Item No. 4 Approval for Related Party Transactions.

To ensure stability of purchase or sale in terms of quality goods, your Company proposes to enter into transaction(s) with M/s. Dada organics (Proprietor) and Dada Organics Private Limited, The quantity to be purchased from M/s. Dada organics (Proprietor) and Dada Organics Private Limited will be based on arms length price. The total value from each party of the proposed transaction(s) could reach up to maximum 35 Crore during financial year 2020-21.

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 (Proprietor) and 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 (Proprietor) and Dada Organics Private Limited in the financial year 2020-21.

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

Sr.	Particulars	Remarks
1	Name of the Related Party	M/s. Dada Organics (Proprietorship).
2	Name of the Director or KMP who is related	Dineshbhai Bhanushankar Pandya
3	Nature of Relationship	Dineshbhai Bhanushankar Pandya is sole Proprietor in M/s. Dada Organics (Proprietor), and he is Managing Director in company.
4	Nature, 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 other information relevant or important for the members to take a decision on the proposed resolution	None

Sr.	Particulars	Remarks
1	Name of the Related Party	Dada Organics Private Limited.
2	Name of the Director or KMP who is related	Dineshbhai Bhanushankar Pandya, Jayshree Dineshbhai Pandya, Deviben Dineshbhai Pandya, Dev Dineshbhai Pandya, Jigar Dineshkumar Pandya,
3	Nature of Relationship	Dineshbhai Bhanushankar Pandya, Jayshree Dineshbhai Pandya, Deviben Dineshbhai Pandya, Dev Dineshbhai Pandya, Jigar Dineshkumar Pandya, is Directors of Dada Organics Private Limited.
4	Nature, 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 other information relevant or important for the members to take a decision on the proposed resolution	None

The Board of Directors recommends passing of the resolution as set out at item No. 4 of this Notice as an Ordinary Resolution

ANNEXURE TO ITEM NO- 2 OF THE NOTICE

Details of Director seeking re-appointment at the 07th 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	Deviben Dineshbhai Pandya
DIN	07905047
Date of Birth	10/04/1994
Nationality	Indian
Date of first appointment in the current designation	10/05/2018
Qualification	Post Graduate
Experience	She has good knowledge about Herbal Products and Marketing.
Shareholding in the Company: Number of Equity Shares	10 Shares (31.03.2020)
Terms and conditions of appointment or re-appointment along with details of remuneration	-
Remuneration last drawn	NIL
No. of Meeting of the Board attended during the year	All
Directorships* of other Companies (Excluding Add-Shop Promotions Limited)	Dada Organics Private Limited
Membership/Chairmanship of Committee of other Companies (Excluding Add-Shop Promotions Limited)	NIL
Inter-se relationships between: <ul style="list-style-type: none">• Directors• Key Managerial Personnel	Not Applicable Not Applicable

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

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

**Place: Rajkot
Date: 29.08.2020**

**Nirajkumar Malaviya
Company Secretary**

DIRECTOR'S REPORT

To,
The Members of
Add-Shop E-Retail Limited
(Formally Known as Add-Shop Promotions Limited)

The Directors take pleasure in presenting the 07th Annual Report together with Audited accounts of the company for the year ended on 31st March, 2020 which they trust, will meet with your approval.

Financial Result:

(Rs. In Lakhs)

PARTICULARS	YEAR ENDED 31.03.2020	YEAR ENDED 31.03.2019
Income for the year	3733.77	2274.38
Other Income	9.40	-
Total Income	3743.17	2274.38
Profit before Financial Cost, Depreciation and Taxation	268.02	179.35
Less: Financial Cost	73.67	51.44
Operating profit before Depreciation & Taxation	194.35	127.90
Less: Depreciation	23.11	9.81
Profit before Taxation	171.24	118.09
Provision for Taxation:		
Current Tax/Excess Short Provision	44.50	28.57
Deferred Tax	6.36	2.89
Profit After Taxation	120.38	86.63

Dividend:

Your Directors do not recommend payment of any Dividend for the Financial year ended 31st March, 2020, 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 have been Rs. 3733.77 lakhs compared to Rs. 2274.38 lakhs in the previous year. The Company's Profit for the year before depreciation, interest and taxation has been Rs. 194.35 lakhs (P.Y. Rs. 127.90 lakhs) and the Net Profit after interest, depreciation, prior period adjustments & taxes are Rs. 120.38 lakhs (P.Y. Rs. 86.63 lakhs).

Share capital:-

The paid up Equity Share Capital as at 31st March, 2020 stood at Rs. 6,47,41,250/- i.e. 64,74,125 equity shares of Rs. 10/- each. During the year under review, the Company has neither made any issue of equity shares with differential voting rights nor has granted any stock options or sweat equity. The Company has no scheme of provision of money for purchase of its own shares by employees or by trustees for the benefit of employees.

Particulars of Loans, Guarantee or Investments:

The Company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013 during the financial year 2019-20.

Disclosure Under Rule 8 (5) Of Companies (Accounts) Rules, 2014:

Change in Nature of Company Business:

During the year under review, the business of the company has not been changed but In order to make the main object clause of the Memorandum of Association (MOA) comprehensive, the Board of directors in its meeting held on 08th February, 2020 has approved alteration of the MOA of the Company and include other activities in the main object clause of the Memorandum of Association of the Company i.e. manufacturing of all types of Ayurvedic or herbal cosmetics, medicines, and animal feeds, fertilizers.

Change in Name of Company:

The Board of Directors of the Company in its meeting held on 8th February, 2020 decided to change the name of the Company from “Add-Shop Promotions Limited” to “Add-Shop E-Retail Limited” The Directors believe that the change in the name of the Company in order to incorporate additional new activity of the company and has to adopt the suitable name to reflect the main activity of the company more dominantly which is being undertaken as part of corporate rebranding would make the name of the Company simple, sharp and focused.

As per the provisions of Sections 13 of the Companies Act, approval of the shareholders is required for changing the name of the Company and the company had obtained the approval of members/share holders in extra ordinary general meeting held on 14th march, 2020. Further, the Company had also filed necessary forms with the Registrar of Companies (ROC), Gujarat for approval and got the same approved by the Registrar of Companies (ROC), Gujarat

Details of Directors/Key Managerial Personnel Appointed / Resigned:

During the year under review, below mentioned directors/KMP have been appointed / resigned:

Appointment:

- Mr. Nirajkumar Malaviya appointed as a Company Secretary and Compliance Officer of the Company w.e.f. 11th December, 2019.

Resignation:

- Ms. Falguni Dhruvil Shah resigned from the post of company secretary and Compliance Officer w.e.f. 18th September, 2019

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

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

Event Subsequent to the Date of Financial Statement

The World Health Organization had declared the Covid-19 Novel Corona Virus as the Pandemic and due to its possible outbreak in the entire India, the Government of India had imposed a nationwide lock down to stop its outbreak in India. The lockdown was imposed in four stages from 25th of March, 2020. Further, as per the government's direction, all business / industrial activities were stopped except the essential commodities/primary necessity like Milk, food, hospitals and medicals etc. In view of the same,

The consequences of this pandemic affected adversely both on our lives and livelihoods are yet to be fully ascertained. The gradual ceasing of economic activities across the world and also in India over a prolonged period has shattered economies and led to an unprecedented rise in unemployment across the world.

Never ever has any economic devastation been so severe and wide spread. Corporations across the world are gradually working towards restoration of economic activities but are still far from reaching optimum levels. At this stage there is no rule book to advice on the future course of action and there are significant uncertainties even today about the future. In India also after one of the most severe and longest lockdowns, we are still navigating the headwinds and trying to get back to "life as usual", with significant restrictions and constraints.

Further, the Company is taking all the recommended precautions and safeguard measures as per the directives/guidelines/circulars issued by the Central Government and the respective State Government(s) from time to time as far as prevention and spreading of COVID-19 pandemic is concerned.

Your Company is continuously monitoring and assessing the impact of COVID-19 pandemic on the business, turnover, profitability and liquidity position particularly at subsidiary levels and will be taking all the necessary steps in future in line with the various directives issued by the Regulatory authorities, from time to time.

Further the company had obtained approvals of Members of Company by way of Special Resolution for the businesses set out hereunder through Postal Ballot through remote e-voting ("Postal Ballot/ E-Voting") and the last date for receiving postal ballot forms by Scrutinizer was Monday, June 29, 2020.

- Increased Authorized Capital of the Company from INR 7,00,00,000/- (Indian Rupees Seven Crores Only) to INR 11,50,00,000/- (Indian Rupees Eleven Crores Fifty Lacs Only) by Alteration of the Capital Clause V of the Memorandum of Association.
- Approval of the issuance of Bonus Shares.
- Migration of Listing/ Trading Of Equity Shares of the Company from BSE-SME Platform to Main Board of BSE Limited.

After the completion of postal ballot process, your Company had filed necessary forms with the Registrar of Companies (ROC), Gujarat for approval and get the approval for the same. Further company also submitted required details to the stock exchange for bonus issue and related matters thereof and received the final approval of Trading of bonus shares from the stock exchange (BSE Limited) on August 05, 2020.

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 equipments 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.

Key Managerial Personnel

Name of Director	Designation
Dineshbhai Bhanushankar Pandya	Managing Director
Devang Dineshbhai Pandya	Chief Financial Officer & Director
Falguni Dhruvil Shah (Up to September 18, 2019)	Company Secretary & Compliance Officer
Nirajkumar K. Malaviya (W.e.f. December 11, 2019)	Company Secretary & Compliance Officer

Audit committee

Name of Director	Position in the Committee	Designation
Rajeshkumar Parekh	Chairperson	Non-Executive Independent Director
Vivek Dadhania	Member	Non-Executive Independent Director
Rushabh Vora	Member	Non-Executive Independent Director

Nomination and Remuneration Committee

Name of Director	Position in the Committee	Designation
Yagnik Mundadiya	Chairperson	Non-Executive Independent Director
Kinjal Khunt	Member	Non-Executive Independent Director
Rajeshkumar Parekh	Member	Non-Executive Independent Director

Stakeholders Relationship Committee

Name of Director	Position in the Committee	Designation
Rushabh Vora	Chairperson	Non-Executive Independent Director
Rajeshkumar Parekh	Member	Non-Executive Independent Director
Jigar Pandya	Member	Executive Director

Committee's Meetings:

The Audit Committee met Six (6) times during the financial year 2019-20, and the details of the meeting are as follows:

Sr. No	Date of Meeting	Attendance of Members
1.	19.04.2019	Chairman & all other members were present
2.	30.05.2019	Chairman & all other members were present
3.	05.08.2019	Chairman & all other members were present
4.	13.11.2019	Chairman & all other members were present
5.	20.12.2019	Chairman & all other members were present
6.	08.02.2020	Chairman & all other members were present

The Nomination & Remuneration Committee met Four (4) times during the financial year 2019-20, and the details of the meeting are as follows.

Sr. No	Date of Meeting	Attendance of Members
1.	19.04.2019	Chairman & all other members were present
2.	30.05.2019	Chairman & all other members were present
3.	05.08.2019	Chairman & all other members were present
4.	20.12.2019	Chairman & all other members were present

The Stakeholder grievances Committee met Four (4) times during the financial year 2019-20, and the details of the meeting are as follows.

Sr. No	Date of Meeting	Attendance of Members
1.	11.04.2019	Chairman & all other members were present
2.	10.07.2019	Chairman & all other members were present
3.	14.10.2019	Chairman & all other members were present
4.	08.01.2020	Chairman & all other members were present

Board Meetings & Extra Ordinary General meeting

During the year 2019-20, the Board of Directors meets regularly, 6 (Six) Board Meetings were convened and held. Interval between any two meetings was well within the maximum allowed gap of 120 days.

Date	Particulars
19.04.2019	All Directors were present
30.05.2019	All Directors were present
05.08.2019	All Directors were present
13.11.2019	All Directors were present
20.12.2019	All Directors were present
08.02.2020	All Directors were present

During the period under review, the Company called an Extra Ordinary General meeting on 14th March, 2020. The Company had obtained necessary approvals through Special / Ordinary Resolution passed at the said meeting for following:-

1. Appointment of Statutory Auditor to Fill Casual Vacancy.
2. Change in Name of the company.
3. Insert Additional Business Activity in Main Object Clause of the Memorandum of Association.
4. Increase Borrowing Powers of the Board and Authorization Limit to Secure the Borrowings under Section 180(1)(c) and 180(1)(a) of the Companies, act, 2013.
5. Approval for Related Party Transactions.
6. Making Investments/extending loans and giving guarantees or providing securities in connection with loans to persons / Bodies corporate.

After the Extra – Ordinary General Meeting, your Company had also filed necessary forms with the Registrar of Companies (ROC), Gujarat for approval and got the same approved by the Registrar of Companies (ROC), Gujarat.

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 November 13, 2019 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 2018-19 was held on Thursday, 05th September, 2019 at the Registered Office of the Company.

Director Remuneration

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

Sr. NO.	Name of Director	Remuneration (Amount Rs.)
1.	Dineshbhai Bhanushankar Pandya	26,40,000/- per annum
2.	Jayshree Dineshbhai Pandya	6,00,000/-per annum
3.	Deviben Dineshbhai Pandya	6,00,000/-per annum
4.	Devang Dineshbhai Pandya	6,00,000/-per annum
5.	Jigar Dineshkumar Pandya	6,00,000/-per annum

Director's Responsibility Statement:

As required under the provisions of Section 134(3) (c) of the Act, your Directors report that:

- (a) In the preparation of the annual accounts for the financial year ended 31st March, 2020 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, 2020 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.

Related Party Transactions

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.

A detailed report on material contracts and arrangements made during the financial year 2019-20, being arm's length transactions have been reported and annexed hereto in form AOC-2 as Annexure - I forming part of this report.

There are no materially significant related party transactions made by the company with promoters, key managerial personnel or other designated persons which may have potential conflict with interest of the company at large.

Auditors and Auditors Report:

Statutory Auditors:-

The Board of Directors of the Company at its meeting held on 20/12/2019 that M/s. Loonia & Associates., Chartered Accountants (Membership No. 135424, FRN: 130883W), appointed as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. SADP & Co., Chartered Accountants and for that the company had obtained the approval of members/share holders in Extra Ordinary General Meeting of company held on 14th March, 2020 at the registered office of the company.

M/s. Loonia & Associates, Chartered Accountants (Membership No. 135424, FRN: 130883W), Ahmadabad, Gujarat, are acting as Statutory Auditors of the Company and they shall hold the office from the conclusion of this Annual General Meeting until the conclusion of fifth Annual General Meeting of the Company at such remuneration as may be agreed upon between the Auditor and the Board of Directors of the Company.

There are no qualifications, reservations or adverse remarks made in the Audit Report by Statutory Auditors of the Company

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 K Jatin & Co., a firm of Company Secretary in Practice to undertake the

Secretarial Audit of the Company for the financial year 2019-20. The Secretarial Audit Report in the form MR-3 is annexed herewith as “Annexure –II”

The Auditor’s Report for the financial year ended March 31, 2020 on the financial statements of the Company is a part of this Annual Report.

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:

The Company is not 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 not mandatory to comply with the same.

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.

Extract of Annual Return

The details forming part of the extract of annual return on prescribed form MGT -9 is annexed hereto as “Annexure III” and form part of this report and also uploaded on a website of the company at www.addshop.co.

Particulars of employees

Pursuant to Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company states that none of 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). Hence, the disclosures as required by above Rules are not given as none of the employees qualify for such disclosure.

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

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace and company constituted the Internal Compliant Committee (ICC), in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

The Company has not received any complaint of sexual harassment during the financial year 2019-20

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.

Other Regulatory Requirement

The Company has complied with all regulatory and legal requirements of central government and state government and there were no significant and material orders passed by the Regulators or Courts or Tribunals during the year impacting the going concern status and the Company's operations in future.

Cost Audit Report

As per provision of section 148(3) of Companies Act, 2013 and rule 6(2) of Companies (Cost records and audit) Rules, 2014, the company is not required to appoint a cost auditor to audit the cost records of the company for cost audit report.

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 Regulations 15 of SEBI (LODR) Regulations, 2015, Corporate Governance provisions as specified is not applicable to the Company, since the paid up share capital of the Company and the Net worth is below the threshold limits prescribed under SEBI (LODR).

Management Discussion and Analysis Report:-

In terms of the Regulations 34(e) of SEBI (LODR) Regulations, 2015, Management Discussion and Analysis is set out in the Annual Report as “Annexure –IV”

Internal Financial Controls:

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including the adherence to the 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 disclosure.

The Company has a well-established internal control system. The Company strives to maintain a dynamic system of internal controls over financial reporting to ensure reliable financial record-keeping, transparent financial reporting and disclosure and protection of physical and intellectual property.

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, 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.

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 Parekh
- Mr. Vivek Dadhanania
- Mr. Rushabh Vora
- Mr. Yagnik Mundadiya
- Ms. Kinjal Khunt

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

Formal Annual Evaluation:

As required under Section 134 (p) of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors had already approved the evaluation criteria for evaluating the performance of the Board of Directors, its committees and the performance of Independent Directors.

Accordingly, as required under Schedule IV of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors at their separate meeting held November 13, 2019 evaluated the performance of the non independent Directors and the Board as a whole. They also reviewed the performance of the Managing Director of the Company and also assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that was necessary for the Board to effectively and reasonably perform their duties.

Also as required under Regulation 17 (10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board assessed the performance of the Independent

Directors as per the criteria laid down and has recommended their continuation on the Board of the Company at its meeting.

The Board of Directors assessed the performance of the individual directors on the Board based on parameters such as, relevant experience and skills, ability and willingness to speak up, focus on shareholder value creation, high governance standards, knowledge of business, processes and procedures followed, openness of discussion / integrity, relationship with management, impact on key management decisions etc. The Members of the Committee of audit, nomination & remuneration, stakeholder's relationship and corporate social responsibility committee were also assessed on the above parameters and also in the context of the committee's effectiveness vis-a-vis the Act and the listing regulations.

Policy on Directors Appointment and Remuneration:

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.

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. Yours Directors wish to thank the shareholders for their continued support, encouragement and the confidence reposed in the Management.

For, Add-Shop E-Retail Limited

Place: 29.08.2020
Date: Rajkot

Dineshbhai Bhanushankar Pandya
Managing Director
DIN: 06647303

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 arms length transaction under third proviso thereto.

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

Not Applicable, as there are no contracts or arrangements or transactions entered into with related party which are not at arm's length basis.

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

Sr. No.	Name of Related Parties	Nature of Relationship	Nature of Expenses	Duration of Contracts / arrangement/ transactions	Silent terms of the Contracts or arrangements or transactions including the value, if any. (Amount in Lacs.)	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/ Sale of Material	2019-20	Purchase: 2577.47 Sale: 0.15	In the Board meetings held in financial year 2019-20	Nil

Annexure – II

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March, 2020

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

To,
The Members of
Add-Shop E-Retail Limited
(Formally Known as Add-Shop Promotions Limited)
(CIN: L51109GJ2013PLC076482)

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 (Formally Known as Add-Shop Promotions Limited) (hereinafter referred to as “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 the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 (hereinafter referred to as “Audit Period”) 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 other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (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 External Commercial Borrowing, Foreign Direct Investment and Overseas Direct Investment; **(Not applicable to the Company during 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;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during Audit Period)**
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during Audit Period)**
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during Audit Period)** and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during Audit Period)**

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

- i. Employees Provident Fund and Miscellaneous Provisions Act, 1952
- ii. Environment Protection Act, 1986 and other environmental laws
- iii. Indian Contract Act, 1872
- iv. Income Tax Act, 1961 and Indirect Tax Laws
- v. The Goods and Service Tax Act, 2017
- vi. Indian Stamp Act, 1999
- vii. Industrial Dispute Act, 1947
- viii. Minimum Wages Act, 1948
- ix. Negotiable Instruments Act, 1881
- x. Payment of Bonus Act, 1965
- xi. Payment of Gratuity Act, 1972
- xii. Payment of Wages Act, 1936 and other applicable labour laws

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

I further report that, during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreement etc. mentioned above.

I further report that-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All decisions at Board Meetings and Committee Meeting are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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, regulations and guidelines.

Place: Ahmedabad

Date: 30.07.2020

UDIN: A026725B000526873

Jatin Kapandia

ACS No.: 26725, CP No.: 12043

Annexure III

Form No. MGT-9 EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	L51109GJ2013PLC076482
Registration Date	20/08/2013
Name of the Company	ADD-SHOP E-RETAIL LIMITED (Formally Known as Add-Shop Promotions Limited)
Category / Sub- Category of the Company	Company limited by Shares/ Indian Non-govt company
Address of the Registered Office and contact details	B-304, Imperial Height, 150 ft Ring Road, Rajkot - 360005 Tel No.: (028)16644040/ 16645050 Email Id: investor@addshop.co Website: www.addshop.co
Whether listed company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	Cameo Corporate Services Limited Subramanian Building, No. 1, Club House Road, Chennai – 600002, India. Tel: 044-28460390 Fax: 044-28460129 Email: cameo@cameoindia.com Website: www.cameoindia.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Trading of Ayurvedic Products	46467	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
		NOT APPLICABLE			

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

i. Category-wise Share Holding

Category code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	SHAREHOLDING OF PROMOTER AND PROMOTER GROUP									
1.	INDIAN									
a.	INDIVIDUALS/HINDU UNDIVIDED FAMILY	4078105	0	4078105	62.9908	4078105	0	4078105	62.9908	0.0000
b.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	BODIES CORPORATE	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	FINANCIAL INSTITUTIONS/ BANKS	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	ANY OTHER									
	SUB - TOTAL (A)(1)	4078105	0	4078105	62.9908	4078105	0	4078105	62.9908	0.0000

2.	FOREIGN									
a.	INDIVIDUALS (NON-RESIDENT INDIVIDUALS/ FOREIGN INDIVIDUALS)	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	BODIES CORPORATE	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	INSTITUTIONS	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	ANY OTHER									
	SUB - TOTAL (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2)	4078105	0	4078105	62.9908	4078105	0	4078105	62.9908	0.0000
B.	PUBLIC SHAREHOLDING									
1.	INSTITUTIONS									
a.	MUTUAL FUNDS/UTI	0	0	0	0.0000	0	0	0	0.0000	0.0000
b.	FINANCIAL INSTITUTIONS/ BANKS	0	0	0	0.0000	0	0	0	0.0000	0.0000
c.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	0	0	0	0.0000	0	0	0	0.0000	0.0000
e.	INSURANCE COMPANIES	0	0	0	0.0000	0	0	0	0.0000	0.0000
f.	FOREIGN INSTITUTIONAL INVESTORS	0	0	0	0.0000	0	0	0	0.0000	0.0000
g.	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.0000	0	0	0	0.0000	0.0000
h.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
i.	ANY OTHER									
	SUB - TOTAL (B)(1)	0	0	0	0.0000	0	0	0	0.0000	0.0000

2.	NON-INSTITUTIONS									
a.	BODIES CORPORATE	248000	0	248000	3.8306	248004	0	248004	3.8306	0.0000
b.	INDIVIDUALS -									
	I INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH	142020	0	142020	2.1936	164016	0	164016	2.5334	0.3397
	II INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH	1854000	0	1854000	28.6370	1776000	0	1776000	27.4322	-1.2047
c.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.0000	0	0	0	0.0000	0.0000
d.	ANY OTHER									
	CLEARING MEMBERS	4000	0	4000	0.0617	0	0	0	0.0000	-0.0617
	HINDU UNDIVIDED FAMILIES	116000	0	116000	1.7917	180000	0	180000	2.7802	0.9885
	NON RESIDENT INDIANS	32000	0	32000	0.4942	28000	0	28000	0.4324	-0.0617
		152000	0	152000	2.3478	208000	0	208000	3.2127	0.8649
	SUB - TOTAL (B)(2)	2396020	0	2396020	37.0091	2396020	0	2396020	37.0091	0.0000
	TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)	2396020	0	2396020	37.0091	2396020	0	2396020	37.0091	0.0000
	TOTAL (A)+(B)	6474125	0	6474125	100.0000	6474125	0	6474125	100.0000	0.0000
C.	SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED									
	Promoter and Promoter Group	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Public	0	0	0	0.0000	0	0	0	0.0000	0.0000

	TOTAL CUSTODIAN (C)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	GRAND TOTAL (A)+(B)+(C)	6474125	0	6474125	100.0000	6474125	0	6474125	100.0000	0.0000

ii. Shareholding of Promoters

SI No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1	DINESHBHAI BHANUSHANKAR PANDYA	3881200	59.9494	0.0000	3881200	59.9494	0.0000	0.0000
2	JAYSHREE DINESHBHAI PANDYA	196875	3.0409	0.0000	0	0.0000	0.0000	-3.0409
	HAVING SAME PAN							
2	JAYSHREE DINESHBHAI PANDYA	0	0.0000	0.0000	196875	3.0409	0.0000	3.0409
3	JIGAR DINESHKUMAR PANDYA	10	0.0001	0.0000	10	0.0001	0.0000	0.0000
4	DEVANG DINESHBHAI PANDYA	10	0.0001	0.0000	10	0.0001	0.0000	0.0000
5	DEVIBEN DINESHBHAI PANDYA	10	0.0001	0.0000	10	0.0001	0.0000	0.0000

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

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	DINESHBHAI BHANUSHANKAR PANDYA				
	At the beginning of the year 30-Mar-2019	3881200	59.9494	3881200	59.9494
	At the end of the Year 31-Mar-2020	3881200	59.9494	3881200	59.9494
2	JAYSHREE DINESHBHAI PANDYA				
	At the beginning of the year 30-Mar-2019	196875	3.0409	196875	3.0409
	Sale 14-Feb-2020	-196875	3.0409	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
	HAVING SAME PAN				
2	JAYSHREE DINESHBHAI PANDYA				
	At the beginning of the year 30-Mar-2019	0	0.0000	0	0.0000
	Purchase 14-Feb-2020	196875	3.0409	196875	3.0409
	At the end of the Year 31-Mar-2020	196875	3.0409	196875	3.0409
3	JIGAR DINESHKUMAR PANDYA				
	At the beginning of the year 30-Mar-2019	10	0.0001	10	0.0001
	At the end of the Year 31-Mar-2020	10	0.0001	10	0.0001
4	DEVANG DINESHBHAI PANDYA				
	At the beginning of the year 30-Mar-2019	10	0.0001	10	0.0001
	At the end of the Year 31-Mar-2020	10	0.0001	10	0.0001
5	DEVIBEN DINESHBHAI PANDYA				
	At the beginning of the year 30-Mar-2019	10	0.0001	10	0.0001
	At the end of the Year 31-Mar-2020	10	0.0001	10	0.0001

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	MANJU JAYANTILAL LODHA				
	At the beginning of the year 30-Mar-2019	316000	4.8809	316000	4.8809
	Sale 20-Sep-2019	-316000	4.8809	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
	HAVING SAME PAN				
1	MANJU JAYANTILAL LODHA				
	At the beginning of the year 30-Mar-2019	16000	0.2471	16000	0.2471
	Sale 05-Apr-2019	-16000	0.2471	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
	HAVING SAME PAN				
1	MANJU JAYANTILAL LODHA				
	At the beginning of the year 30-Mar-2019	0	0.0000	0	0.0000
	Purchase 20-Sep-2019	316000	4.8809	316000	4.8809
	Purchase 04-Oct-2019	8000	0.1235	324000	5.0045
	At the end of the Year 31-Mar-2020	324000	5.0045	324000	5.0045
2	SHASHANK PRAVINCHANDRA DOSHI				
	At the beginning of the year 30-Mar-2019	232000	3.5834	232000	3.5834
	At the end of the Year 31-Mar-2020	232000	3.5834	232000	3.5834
3	SAPNA MAHESH RUPANI				
	At the beginning of the year 30-Mar-2019	220000	3.3981	220000	3.3981
	At the end of the Year 31-Mar-2020	220000	3.3981	220000	3.3981
4	JAYANTILAL HANSRAJ LODHA				
	At the beginning of the year 30-Mar-2019	188000	2.9038	188000	2.9038
	Sale 05-Apr-2019	-12000	0.1853	176000	2.7185
	Sale 31-May-2019	-76000	1.1739	100000	1.5446
	Purchase 16-Aug-2019	16000	0.2471	116000	1.7917
	Sale 14-Feb-2020	-116000	1.7917	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
	HAVING SAME PAN				
4	JAYANTILAL HANSRAJ LODHA				
	At the beginning of the year 30-Mar-2019	36000	0.5560	36000	0.5560

	Sale 31-May-2019	-36000	0.5560	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
	HAVING SAME PAN				
4	JAYANTILAL HANSRAJ LODHA				
	At the beginning of the year 30-Mar-2019	0	0.0000	0	0.0000
	Purchase 14-Feb-2020	116000	1.7917	116000	1.7917
	At the end of the Year 31-Mar-2020	116000	1.7917	116000	1.7917
5	KEBBEHALI PANCHILINGAIAH UMESH				
	At the beginning of the year 30-Mar-2019	166000	2.5640	166000	2.5640
	At the end of the Year 31-Mar-2020	166000	2.5640	166000	2.5640
6	GUINNESS SECURITIES LIMITED				
	At the beginning of the year 30-Mar-2019	132000	2.0388	132000	2.0388
	At the end of the Year 31-Mar-2020	132000	2.0388	132000	2.0388
7	NNM SECURITIES				
	At the beginning of the year 30-Mar-2019	92000	1.4210	92000	1.4210
	Sale 10-Jan-2020	-92000	1.4210	0	0.0000
	At the end of the Year 31-Mar-2020	0	0.0000	0	0.0000
8	DIPSINH RANJITSINH SOLANKI				
	At the beginning of the year 30-Mar-2019	88000	1.3592	88000	1.3592
	At the end of the Year 31-Mar-2020	88000	1.3592	88000	1.3592
9	DATTANI ARVIND NANDLAL				
	At the beginning of the year 30-Mar-2019	84000	1.2974	84000	1.2974
	At the end of the Year 31-Mar-2020	84000	1.2974	84000	1.2974
10	MEGHANA UMESHA .				
	At the beginning of the year 30-Mar-2019	75000	1.1584	75000	1.1584
	Sale 19-Apr-2019	-18500	0.2857	56500	0.8727
	Sale 14-Jun-2019	-5500	0.0849	51000	0.7877
	Sale 28-Jun-2019	-16000	0.2471	35000	0.5406
	Sale 26-Jul-2019	-4000	0.0617	31000	0.4788
	Sale 20-Sep-2019	-2500	0.0386	28500	0.4402
	At the end of the Year 31-Mar-2020	28500	0.4402	28500	0.4402
	NEW TOP 10 AS ON (31-Mar-2020)				
11	FESTINO VINCOM LIMITED				
	At the beginning of the year 30-Mar-2019	0	0.0000	0	0.0000
	Purchase 10-Jan-2020	92000	1.4210	92000	1.4210
	At the end of the Year 31-Mar-2020	92000	1.4210	92000	1.4210
12	JIGNESH AMRUTLAL THOBHANI				

	At the beginning of the year 30-Mar-2019	56000	0.8649	56000	0.8649
	At the end of the Year 31-Mar-2020	56000	0.8649	56000	0.8649

v. Shareholding of Directors and Key Managerial Personnel:

SI No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1	DINESHBHAI BHANUSHANKAR PANDYA	3881200	59.9494	0.0000	3881200	59.9494	0.0000	0.0000
2	JAYSHREE DINESHBHAI PANDYA	196875	3.0409	0.0000	0	0.0000	0.0000	-3.0409
	HAVING SAME PAN							
2	JAYSHREE DINESHBHAI PANDYA	0	0.0000	0.0000	196875	3.0409	0.0000	3.0409
3	JIGAR DINESHKUMAR PANDYA	10	0.0001	0.0000	10	0.0001	0.0000	0.0000
4	DEVANG DINESHBHAI PANDYA	10	0.0001	0.0000	10	0.0001	0.0000	0.0000
5	DEVIBEN DINESHBHAI PANDYA	10	0.0001	0.0000	10	0.0001	0.0000	0.0000

Note: None of the Directors / Key Managerial Personnel other than mentioned above holds any Shares during Financial Year 2019-20.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
I. Principal Amount	83.29	180.21	-	263.50
II. Interest due but not paid	-	-	-	-
III. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	83.29	180.21	-	263.50
Change in Indebtedness during the financial year				
Addition/(Reduction)	351.55	128.78	-	480.33
Net Change	351.55	128.78	-	480.33
Indebtedness at the end of the financial year				
i) Principal Amount	434.84	308.99	-	743.83
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	434.84	308.99		743.83

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs In Lakhs)

Sr. No.	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
1.	Remuneration for the year	Dineshbhai Pandya	26.40
		Total	26.40

B. Remuneration to other directors:

(Rs In Lakhs)

Sr. No.	Particulars of Remuneration	Name of the Director	Total Amount
1.	Remuneration for the year	Jayshreeben Pandya	6.00
2.		Jigarbhai Pandya	6.00
3.		Deviben Pandya	6.00
		Total	18.00

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Company Secretary Falguni Shah	Company Secretary Nirajkumar Malaviya	CFO & Director Mr. Devang Pandya	
1	Devang Pandya	-	-	6.00	6.00
2	Falguni Shah*	0.50	-	-	0.50
3	NirajkumarMalaviya**	-	0.93	-	0.93
		Total			7.43

* Ms. Falguni Dhrumil Shah resigned from the post of company secretary and Compliance Officer w.e.f. 18th September, 2019.

** Mr. Nirajkumar Malaviya appointed as a Company Secretary and Compliance Officer of the Company w.e.f. 11th December, 2019.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2020.

For, Add-Shop E-Retail Limited

Date : 29.08.2020
Place : Rajkot

Dineshbhai Bhanushankar Pandya
Managing Director
DIN: 06647303

Annexure – IV

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

i) An Overview:

The Company Add-Shop E-Retail Limited (Formally Known as Add-Shop Promotions Limited) is engaged in the business of marketing and distribution of products in the categories of ayurvedic 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,

The operating and financial review is intended to convey the Management’s perspective on the financial and operating performance of the Company. This report should be read in conjunction with the Company’s financial statements, the schedules and notes thereto and the other information included elsewhere in the Integrated Report. The Company’s financial statements have been prepared in compliance with the requirements of the Companies Act, 2013, the guidelines issued by the Securities and Exchange Board of India (SEBI).

This report is an integral part of the Directors’ Report. Aspects on industry structure and developments, opportunities and threats, outlook, risks and concerns, internal control systems and their adequacy, material developments in human resources and industrial relations have been in the Directors’ Report.

ii) Indian Economy & Health Care Industry

Factors such as continued domestic consumption and investment trends have positioned India as the sixth largest economy and one of the fastest growing countries in the world. The growth in the domestic consumption demand is catalyzed and strengthened by factors such as harmonized of Goods and Services Tax (GST) and recapitalized bank. Agriculture and manufacturing are the two key industry sectors that are expected to contribute to this growth graph.

The COVID-19 pandemic is likely to have a major negative impact across the world. It has led to quarantines, regional lockdowns and social distancing- which are essential to contain the virus with particularly acute effects on sectors that rely on social interactions such as travel, hospitality, entertainment, and tourism. Workplace closures are disrupting supply chains and reducing productivity. Layoffs, lower incomes, fear of contagion, and heightened uncertainty make people spend less, leading to consumption squeeze and triggering further business closures and job losses. Health care expenditure, support to vulnerable sections of society and reduced tax revenue is likely to put severe pressure on fiscal balances of the government

In view of Covid-19 pandemic, the need to build immunity and fight illnesses has gained prominence, not just in consumer mind space but also among the medical fraternity. The demand for Ayurvedic products has been on the rise for a few years now. As per a report by IMARC, released prior to the COVID pandemic spread, Indian Ayurvedic products market is expected to grow at a CAGR of 14% during 2019-2024.

A key factor driving the Indian ayurvedic products market is increasing popularity of natural and herbal medicines and their benefits among the consumers. Factors such as rising health concerns and awareness about the side-effects of western medicines is further driving the consumer preference for Ayurvedic products in the country. Furthermore, the distribution networks of ayurvedic products have improved significantly, increasing the accessibility of these products across both urban and rural regions.

Prime Minister Mr. Narendra Modi has also been promoting Ayurveda and Yoga on various forums. These initiatives have further established the long-term relevance of Ayurveda and its role in natural healthcare.

Few factors shaping the nation’s economic growth are:

- Increased ease of doing business through changed processes such as a uniform Goods and Services Tax across India since mid-2017 and relaxed norms of opening, obtaining licenses and investing in new businesses.
- Policy reforms such as increased FDI limits in most sectors, including retail, manufacturing and telecom are driving increased participation of foreign investors and improved investment norms for non-resident Indians.
- Large-scale infrastructure development projects such as smart cities, industrial corridors, road, rail and shipping hubs and power projects.
- Make in India' initiative has got a boost by a slew of measures aimed at improving the ease of doing business in the Country. Small and medium industry- a major employment generator for the economy- has been liberated to participate in the Nation's development.

iii) Industry structure and developments

Ayurveda is an Indian system of medicine derived from “Ayurvedic” natural herbs & is a form of alternative medicine. Nearly 75% of people in India use some form of traditional Ayurvedic medicine, a category that includes Ayurveda.

By adopting new innovative methods, and the ayurvedic products are now available in the form of capsules, syrups, tablets, powders, and plant extracts. Some of the factors such as the growing preference for traditional medicines by consumers and fewer side-effects even on the use for a longer period enhance the demand for herbal and ayurvedic products the ageing population with health problems and growth of young, awareness, health conscious population will drive the growth of the Ayurveda sector. The support of the Government, focus on quality and standardization, increase in health insurance coverage and Central Government Health Scheme (CGHS) coverage

will drive the growth of this sector. The ability of the Government to promote ayurveda at international platforms will play a big role in enhancing the growth of this sector, overall the business of the company depends upon the growth of the economy of the country.

iv) Opportunities and Threats:

Ayurveda, as an industry, has scope for tremendous growth which can benefit from investments in identified spaces. They will allow Ayurveda to evolve itself to a form that is cognisant of the needs and trends of new generations. Today, the sector is more structured, has integrated technological advancements, environmental changes and evidence-based research methodologies to provide premium care. These advancements, built on Ayurveda's affordability and pre-existing user base, can help advance the system's benefits to the population at large

Bringing Ayurveda into the mainstream requires a concerted effort which can be led by the Ministry of AYUSH. The ministry can also explore the incorporation of industry suggestions towards designing standardisation and licensing norms that regularise Ayurveda products in India. The AYUSH Ministry can also help companies seeking overseas sales of their products. It can be streamlined with the ministry's intervention and outreach to other countries. As a positive move, the government recently introduced an economic stimulus package under the Atmanirbhar Bharat Abhiyan and has allotted INR 4,000 crore (\$ 535Mn) to the herbal sector for promotion of herbal cultivation. The move aims to cover 10 lakh hectares (24.7 lakh acres) under herbal cultivation over a period of two years.

Some of the driving factors favouring the market growth include growing demand for natural and organic products, increasing consumer awareness and growing demand for ayurvedic cosmetics products, expanding medical tourism through the globe. Organic skincare products are achieving fast grip and the market is expected to expand even further.

Personal care products is leading the ayurvedic market globally due to increasing awareness of personal care products, changes in consumption patterns and lifestyles, and improved the purchasing power of women, promises moving times for the personal care industry. The Asia Pacific is estimated to dominate the global market owing to the presence of established ayurvedic manufacturing units

Further the Global Ayurvedic Market was value US\$ 4.5Bn in 2017 and is expected to reach US\$ 14.9Bn by 2026 at a CAGR of 16.14%.

The coronavirus pandemic has reminded us that our body's immunity is our first and best line of defence. Healthy living and good nutrition are crucial for self-preservation. Fortunately, India, with its vast heritage and knowledge in Ayurveda, does not have to look too far. Riding on many waves of evolution, Ayurveda is poised to re-enter our lives in unique ways. This ancient wisdom has taught us that the more things change, the more they stay the same.

Threats

- Patent issue
- Shortage of raw materials
- Lack of support in International Market
- Escalation in raw materials price
- Lack of scientific evidence makes it difficult to convince people
- Adulteration in the raw materials
- Product quality variation due to lack of process standardization.

v) Outlook:

The year ahead looks good for the business if the Company buoyed by strong domestic consumption as well as demand. With consumerism, disposable income on the rise and with the entry of several international players into the India markets, the retail sector has experienced a rapid growth. The Continual growth in the retail apparel sector is necessary to give support to the industry. The company is making all effort to accelerate the growth of its business. It Expect to improve its position in the market by focusing in the technologically advanced and more profitable Product and market segment and working aggressively in the area of productivity, efficiency and cost reduction.

Analysts are upbeat over the expected above normal monsoon and higher growth. The slow pace of public and private sector projects is expected to improve with the Government of India's thrust on projects. Further, 'Make in India' initiative has got a boost by a slew of measures aimed at improving the ease of doing business in the Country. Small and medium industry- a major employment generator for the economy- has been liberated to participate in the Nation's development in accordance with its potential. Bold measures by the Government such as improved targeting of subsidy, broadening of the tax base and expected buoyancy in tax revenue are all aimed at achieving the fiscal consolidation which had been an area of concern in the recent past.

vi) Risk and Concerns:

The herbal industry has certain weaknesses that need to be addressed. In general, the industry has weak backward linkages that affect supply chain like inadequate backward linkages such as contract production and investment from finished industry to minimize the business risk. Further, despite a friendly government, industry does not find the policies and regulation adequately appropriate for sector growth. However, the management is aware of the said problems and therefore is in process of designing the system to address the same.

This industry is marred 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.

vii) 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.

viii) Discussion on financial performance of the Company with respect to operational performance:

(Rs. In Lakhs)

PARTICULARS	YEAR ENDED 31.03.2020	YEAR ENDED 31.03.2019
Income for the year	3733.77	2274.38
Other Income	9.40	-
Total Income	3743.17	2274.38
Profit before Financial Cost, Depreciation and Taxation	268.02	179.35
Less: Financial Cost	73.67	51.44
Operating profit before Depreciation & Taxation	194.35	127.90
Less: Depreciation	23.11	9.81
Profit before Taxation	171.24	118.09
Provision for Taxation:		
Current Tax/Excess Short Provision	44.50	28.57
Deferred Tax	6.36	2.89
Profit After Taxation	120.38	86.63

For the year ended 31st March, 2020, your Company has reported total revenue Rs. 3733.77 lakhs compared to Rs. 2274.38 lakhs in the previous year. The Company's Profit for the year before depreciation, interest and taxation has been Rs. 194.35 lakhs (P.Y. Rs. 127.90 lakhs) and the Net Profit after interest, depreciation, prior period adjustments & taxes are Rs. 120.38 lakhs (P.Y. Rs. 86.63 lakhs).

ix) Material developments in Human resources / industrial Relations front, including number of people employed.

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 counselling 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.

x) 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: 29.08.2020
Place: Rajkot

Dineshbhai B. Pandya
Managing Director
DIN: 06647303

"Annexure V"

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 2019-20.**

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	14.20	100%
2	Jayshree Pandya	Non-Executive Director	3.55	100%
3	Deviben Pandya	Executive Director	3.55	100%
4	Jigar Pandya	Executive Director	3.55	100%
5	Devang Pandya	Executive Director cum CFO	3.55	100%
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	Falguni Shah*	Company Secretary	NA	NA
12	Nirajkumar Malaviya**	Company Secretary	NA	NA

* Ms. Falguni Dhrumil Shah resigned from the post of company secretary and Compliance Officer w.e.f. 18th September, 2019.

** Mr. Nirajkumar Malaviya appointed as a Company Secretary and Compliance Officer of the Company w.e.f. 11th December, 2019.

- (ii) **The percentage decrease in the median remuneration of the employees of the Company for the Financial Year 2019-20: 14.93%**
- (iii) **The number of permanent employees on the rolls of the Company: 26**
- (iv) **Average percentage increase already made in the salaries of employees other than the key managerial personnel in financial year 2019-20 and its comparison with the percentage increase in the managerial remuneration:**

(Amount in Rs)					
Remuneration paid to employees (excluding managerial personnel) for the FY 2018-19	Remuneration paid to employees (excluding managerial personnel) for the FY 2019-20	(%) Change in remuneration paid to employees (excluding managerial personnel)	Remuneration paid to managerial personnel for the FY 2018-19	Remuneration paid to managerial personnel for the FY 2019-20	(%) change in remuneration paid to managerial personnel
43,59,315/-	5262000/-	20.70%	24,00,000/-	5040000/-	110%

- (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: 29.08.2020
Date: Rajkot

Dineshbhai Bhanushankar Pandya
Managing Director
DIN: 06647303

Independent Auditors' Report

To
The Members of
Add-Shop E-Retail Limited
(Formally Known as Add-Shop Promotions Limited)

Report on the Financial Statements

We have audited the accompanying Financial Statements of **ADD-SHOP E-RETAIL LIMITED** (“the Company”), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, 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** (‘Act’) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit 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 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 do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above 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. If based on work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

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

In preparing the financial statements, 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 are also 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, 2016 ("**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 and the statements of Cash Flows with this Report are in agreement with the books of account.
 - (iv) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - (v) On the basis of written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, 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 other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i) The Company does not have any pending litigations which would impact its financial position.
- ii) The Company did not have any long-term contracts including derivative contracts; 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 Investor Education and Protection Fund by the Company.

3. 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 Company did not pay any remuneration to its directors during the year in terms of section 197 of the Act.

For Loonia & Associates
Chartered Accountants
(Registration No.130883W)

Place: Ahmedabad
Date: 30th June, 2020
UDIN: 20135424AAAABX4874

Hitesh Loonia
Proprietor
Membership No. 135424

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** (Formally Known as Add-Shop Promotions Limited) for the year ended 31st March, 2020.

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:

- (i) In respect of its Property, plant and equipments:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipments.
 - (b) As explained to us, the management during the year has physically verified the Property, plant and equipments in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in Property, plant and equipments are held in the name of the Company.
- (ii) As explained to us, in our opinion, the management has physically verified inventories at reasonable intervals during the year and there was no material discrepancies noticed on such physical verification as compared to the book records.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013 and hence, paragraph 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not given any loans, investments, guarantees and security in terms of section 185 and 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, in respect of products of the Company. Accordingly, paragraph 3(vi) of the Order is not applicable
- (vii) In respect of statutory dues:
 - (a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Goods and Services Tax, Service Tax, Customs Duty, Excise Duty, Value Added

Tax, Cess and other material statutory dues have been generally deposited regularly with the appropriate authorities in India.

According to the information and explanation given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Services Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues were in arrears as at 31 March, 2020 for a period of more than six months from the date they become payable.

(b) According to the information and explanations given to us, there are no dues of Income-tax or Sales tax or Service tax or Goods and Services tax or duty of Customs or duty of Excise or Value added taxes which have not been deposited by the Company on account of disputes.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- (ix) According to information and the explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) During the course of our examination of the books and records of the Company carried out in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud by the Company or by its officers or employees on it, has been noticed or reported during the course of our audit nor have we been informed of any such instance by the Management.
- (xi) According to the information and explanation given to us and based on our examination of the records of the Company, the Company had paid managerial remuneration in terms of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion and according to information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to information and explanations given to us and based on our examination of the records of the Company, in our opinion, all the transactions entered with the related parties are in compliance with sections 177 and 188 of the Act and the details of such transactions have been disclosed in the Financial Statements as required by the applicable Indian Accounting Standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures during the year and hence reporting under paragraph 3(xiv) of the order is not applicable.
- (xv) According to information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with directors. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) According to the information and explanations given to us and the records of the Company examined by us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting requirement under clause 3(xvi) of the Order is not applicable

For Loonia & Associates
Chartered Accountants
(Registration No.130883W)

Place: Ahmedabad
Date: 30th June, 2020
UDIN: 20135424AAAABX4874

Hitesh Loonia
Proprietor
Membership No. 135424

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** (Formally Known as Add-Shop Promotions Limited) for the year ended 31st March, 2020.

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, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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 2020, 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.

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.

For Loonia & Associates
Chartered Accountants
(Registration No.130883W)

Place: Ahmedabad
Date: 30th June, 2020
UDIN: 20135424AAAABX4874

Hitesh Loonia
Proprietor
Membership No. 135424

ADD-SHOP E RETAIL LIMITED
Balance Sheet as at 31-Mar-2020

(Rs. In Lacs)

	Particulars	Note No.	as at 31-Mar-2020		as at 31-Mar-2019	
I.	EQUITY AND LIABILITIES					
1	Shareholders' Funds			1,262.53		1,142.15
	(a) Share Capital	1	647.41		647.41	
	(b) Reserves and Surplus	2	615.12		494.74	
2	Share Application Money			-		-
3	Non-Current Liabilities			176.23		118.28
	(a) Long-Term Borrowings	3	164.21		112.62	
	(b) Deferred Tax Liabilities (Net)	4	12.02		5.66	
	(c) Other Long term liabilities		-		-	
	(d) Long-term provisions		-		-	
4	Current Liabilities			1,883.11		326.86
	(a) Short-Term Borrowings	5	393.26		64.45	
	(b) Trade Payables	6	1,224.47		68.80	
	(c) Other Current Liabilities	7	211.64		129.64	
	(d) Short-Term Provisions	8	53.74		63.97	
	Total			3,321.87		1,587.29
II.	ASSETS					
1	Non-Current Assets			384.59		367.15
	(a) Fixed Assets					
	(i) Tangible Assets	9	352.70		326.80	
	(ii) Intangible Assets		7.70		10.98	
	(b) Non-Current Investments		-		-	
	(c) Deferred Tax Assets (Net)		-		-	
	(d) Long-Term Loans and Advances	10	3.77		10.45	
	(e) Other non-current assets	11	20.42		18.92	
2	Current Assets			2,937.28		1,220.14
	(a) Current Investments		-		-	
	(b) Inventories	12	712.14		541.39	
	(c) Trade receivables	13	2,190.44		653.06	
	(d) Cash and Cash Equivalents	14	26.11		24.20	
	(e) Short-term loans and advances	15	8.41		1.49	
	(f) Other current assets	16	0.18		-	
	Total			3,321.87		1,587.29

The Notes referred to above form an integral part of the Balance Sheet.

As per our report of even date

For, Loonia & Associates
Chartered Accountants
FRN No: 130883W

Hitesh Loonia
Proprietor
Membership No. 135424
UDIN: 20135424AAAABX4874
Place: Ahmedabad
Date : 30.06.2020

Dineshbhai B. Pandya
Managing Director
DIN: 06647303

Nirajkumar Malaviya
Company Secretary

For, and on behalf of the Board of Directors

Jigar D. Pandya
Director
DIN: 07905076

Devang D. Pandya
Chief Financial Officer

ADD-SHOP E RETAIL LIMITED
Statement of Profit and Loss for the year ended 31-Mar-2020

(Rs. In Lacs)				
Sr. No.	Particulars	Note No.	31-Mar-2020	31-Mar-2019
I	Revenue from Operations	17	3,733.77	2,274.38
II	Other Income	18	9.40	-
III	TOTAL REVENUE (I + II)		3,743.17	2,274.38
IV	EXPENSES			
	Purchases of Stock-in-Trade	19	2,624.11	1,477.28
	Changes in Inventories	20	(170.75)	(351.56)
	Employee Benefit Expenses	21	114.54	69.32
	Finance Costs	22	73.67	51.45
	Depreciation and Amortization Expenses		23.11	9.81
	Other Expenses	23	907.25	900.02
	TOTAL EXPENSES		3,571.93	2,156.31
V	Profit before Exceptional and Extraordinary Items and Tax (III-IV)		171.24	118.07
VI	Exceptional Items			-
VII	Profit before Extraordinary Items and Tax		171.24	118.07
VIII	Extraordinary Items		-	-
IX	Profit Before Tax		171.24	118.07
X	Tax Expense			
	Current Tax		44.50	28.55
	Deferred Tax		6.36	2.90
XI	Profit/(Loss) for the period from Continuing Operations (IX-X)		120.38	86.62
XII	Profit/(Loss) from Discontinuing Operations		-	-
XIII	Tax Expense of Discontinuing Operations		-	-
XIV	Profit/(Loss) from Discontinuing Operations (after tax) (XII-XIII)		-	-
XV	Profit(Loss) for the Period (XI+XIV)		120.38	86.62
XVI	Earnings per Equity Share	24		
	-Basic		1.86	1.76
	-Diluted		1.86	1.76

The Notes referred to above form an integral part of the Balance Sheet.

As per our report of even date

For, Loonia & Associates

Chartered Accountants

FRN No: 130883W

For, and on behalf of the Board of Directors

Hitesh Loonia

Proprietor

Membership No. 135424

UDIN: 20135424AAAABX4874

Place: Ahmedabad

Date : 30.06.2020

Dineshbhai B. Pandya

Managing Director

DIN: 06647303

Jigar D. Pandya

Director

DIN: 07905076

Nirajkumar Malaviya

Company Secretary

Devang D. Pandya

Chief Financial Officer

ADD-SHOP E RETAIL LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2020

(Rs In Lacs)

Particulars	2019-20	2018-19
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before taxation and extraordinary items	171.24	118.07
Adjustment for :-		
Depreciation and Amortization	23.11	9.81
Finance Costs	73.67	51.45
Loss on sale of fixed assets	2.95	0.00
Other Inflow/ (Outflow) of cash	(1.19)	388.60
	98.54	449.86
Operating Profit before working capital changes	269.78	567.92
Change in working Capital :		
Adjustment for Decrease (Increase) in operating assets		
(Increase)/Decrease in Trade Receivables	(1,537.38)	(154.05)
Increase/(Decrease) in Trade Payables	1,155.67	(386.62)
(Increase)/Decrease in Inventories	(170.75)	(351.56)
Increase/(Decrease) in Other Current Liabilities	82.00	136.58
Increase/(Decrease) in Provisions	(10.23)	0.00
(Increase)/Decrease in Short Term Loans & Advances	(6.93)	(1.49)
(Increase)/Decrease in Other Current Assets	(0.18)	-
(Increase)/Decrease in Long term Loan and Advances	6.68	(7.44)
Cash Generated from Operations	(211.34)	(196.67)
Direct tax Paid	(44.50)	(28.57)
Cash Flow before extraordinary items	(255.84)	(225.24)
Extraordinary Items/Prior Period Items	-	-
Net cash from Operating Activities	(255.84)	(225.24)
B. NET CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase/ (Sale) of Fixed Assets	(50.48)	(327.19)
Other Inflow/ (Outflows) of cash	1.50	(23.65)
Net Cash from Investment Activities	(48.98)	(350.84)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Finance Cost	(73.67)	(51.45)
Increase in / (Repayment) of Short term Borrowings	328.81	(56.55)
Increase in / (Repayment) of Long term Borrowings	51.59	29.38
Increase in / (Decrease) in Share Capital	0.00	633.41
Other Inflows/ (Outflows) of cash	-	0.00
Net Cash from financial activities	306.73	554.79
NET INCREASE /(-) DECREASE IN CASH AND CASH EQUIVALENTS	1.91	(21.28)
OPENING BALANCE IN CASH AND CASH EQUIVALENTS	24.20	45.48
CLOSING BALANCE IN CASH AND CASH EQUIVALENTS	26.11	24.20

Notes on Cash Flow Statement:

- 1 The above statement has been prepared following the "Indirect Method" as set out in Accounting Standard 3 on Cash Flow Statement issued by the Institute Of Chartered Accountants of India.

As per our report of even date attached.

For, Loonia & Associates
Chartered Accountants
FRN No: 130883W

Hitesh Loonia
Proprietor
Membership No. 135424
UDIN: 20135424AAAABX4874

For and on behalf of the Board of Directors

Dineshbhai B. Pandya **Jigar D. Pandya**
Managing Director **Director**
DIN: 06647303 **DIN: 07905076**

Nirajkumar Malaviya **Devang D.Pandya**
Company Secretary **Chief Financial Officer**

Place: Ahmedabad
Date : 30.06.2020

Notes forming part of financial statements for the year ended on 31st March, 2020

Note 1: Significant Accounting Policies:

1. Basis of Accounting & Revenue Recognition:

The Accounts are prepared under the historical cost convention applying accrual method of accounting and as a going concern, complying with the applicable Accounting Standards and the generally accepted accounting principles prevailing in the country.

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from Operations include sale of goods. Interest income, if any is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

2. Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

3. Fixed Assets:

Tangible assets are stated at cost, less accumulated depreciation and impairment, if any. Direct costs are capitalized until such assets are ready for use. Capital work in progress comprises the cost of fixed assets that are not yet ready for their intended use at the reporting date.

4. Depreciation:

Depreciation has been charged on cost of fixed assets, adopting the following methods / rates:

1. Depreciation is calculated using Straight Line Method (SLM) to allocate their cost, net of their residual values, over their estimated useful lives prescribed in Schedule II of the Companies Act, 2013.
2. If the cost of a part of the asset is significant to the total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately for depreciation.
3. For other assets acquired / sold during the year pro-rata charge has been made from the date of first use or till the date of sale.

5. Impairment:

Impairment loss from fixed assets is assessed as at the close of each financial year and appropriate provision, if required, is considered in the accounts.

6. Segment Information:

The Company operates only in one reportable business segment. Hence, there are no reportable segment under AS – 17. The conditions prevailing in India being uniform no separate geographical disclosures are considered necessary.

7. Borrowing Cost:

Interest and other costs in connection with the borrowing of the funds to the extent related/attribution to the acquisition/construction of qualifying fixed assets are capitalized as a part of the cost of such asset up-to the date when such assets are ready for its intended use and other borrowing costs are charged to statement of Profit & Loss.

8. Inventories:

Inventories are valued at the lower of the cost & estimated net realizable value. Cost of inventories is computed on a FIFO basis. Finished goods & work in progress include costs of conversion & other costs incurred in bringing the inventories to their present location & condition. Proceeds in respect of sale of raw materials/ stores are credited to the respective heads. Obsolete, defective & unserviceable stocks are duly provided for.

9. Sales:

- a) Sales of goods are recognized on dispatches from factory or go-down or on directly on a consignment basis to customers, excluding of Goods and Service Tax and are net of trade discount.
- b) Interest Income from financial assets is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

10. Retirement benefits:

Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

- a) **Provident Fund:** The Company pays provident fund contribution to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.
- b) **Gratuity:** The provision of gratuity is not made by the Company. However, if payment on account of gratuity arises due to happening of any incidents as provided under the applicable provisions of law, the same will be accounted for cash basis.

- c) **Pension:-** The management is also of the opinion that the payment under Pension Act is not applicable to the Company.

11. Foreign Currency Transactions:

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

All exchange differences arising on settlement and conversion on foreign currency transaction are included in the Statement of Profit and Loss, except in cases where they relate to the acquisition of fixed assets, in which case they are adjusted in the cost of the corresponding asset.

In respect of transactions covered by forward exchange contracts, the difference between the forward rate and the exchange rate at the date of transaction is recognized as income or expense at the time of maturity date, except where it relates to fixed assets, in which case it is adjusted in the cost of the corresponding assets.

12. Provision for Current and Deferred Tax:

Income tax expense is accounted for in accordance with AS 22- “Accounting for Taxes on Income” prescribed under the Companies (Accounting Standard) Rules, 2006 which includes current tax and deferred taxes.

Current taxes reflect the impact of tax on income of the previous year as defined under the Income Tax Act, 1961 as per applicable rates.

Deferred taxes reflect the impact of Current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years if any. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available.

13. Amount Due to Micro, Small and Medium Enterprises:

- (i) Based on the information available with the Company in respect of MSME (as defined in the Micro, Small and Medium Enterprises Development Act, 2006) there are no delays in payment of dues to such enterprise during the year.
- (ii) The identification of Micro, Small and Medium Enterprises Suppliers as defined under “The Micro, Small and Medium Enterprises Development Act, 2006” is based on the information available with the management. As certified by the management, the amounts overdue as on March 31, 2020 to Micro, Small and Medium Enterprises on account of principal amount together with interest, aggregate to Rs. Nil.

14. Earnings Per Share:

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

15. Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that is reasonably estimate, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligations or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

16. Investments:

Current investments, if any are carried at lower of cost & net realizable value. Long term (noncurrent) investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

17. Cash and Cash Equivalentents :

Cash and Cash equivalentents includes cash and cheque on hand, demand deposits with banks, fixed deposits and other long term and short term highly liquid investments with original maturities of three months or less.

Notes to the Financial Statements for the year ended 31st March 2020

1 Share Capital

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
1	AUTHORIZED SHARE CAPITAL				
	7000000 (7000000) Equity Shares of Rs.10/- each	700.00		700.00	
	Total	700.00		700.00	
2	ISSUED , SUBSCRIBED & PAID UP CAPITAL				
	At the beginning period	647.41		14.00	
	Add : Issued during the period	-		633.41	
	Less : Forfeited Share (amount originally paid up)	-		-	
	At the end of reporting period	647.41		647.41	
	Total	647.41		647.41	

B The reconciliation of the number of shares outstanding as at March 31,2020 and March 31, 2019 is set out below :

Equity Shares	As at 31st March 2020		As at 31st March 2019	
	No of shares	Rs in Lakhs	No of shares	Rs in Lakhs
Shares outstanding at the beginning of the year	6,474,125	647.41	140,000	14.00
Add: Shares issued during the year/Bonus shares	-	-	6,334,125	633.41
Less: Buy Back/ Forfeited Shares	-	-	-	-
Shares outstanding at the end of the year	6,474,125	647.41	6,474,125	647.41

C The details of shareholder holding more than 5% shares is set out below:

Name of the shareholder	As at 31st March 2020		As at 31st March 2019		
	No of Shares	% of holding	No of Shares	% of holding	
1	Dineshbhai P Pandhya	3,881,200	59.95%	3,881,200	59.95%
2	Manju Jayantilal Lodha	324,000	5.00%		
3	Jayantilal H Lodha	116,000	1.79%	420,000	6.49%
	Total	4,321,200	66.74%	4,301,200	66.44

Note The company has only one class of ordinary equity shares and the holders of these ordinary shares are entitled to receive dividends as and when declared by the company. All shares rank equally with regard to the company's residual assets.

2 Reserves & Surplus

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
1	SECURITIES PREMIUM RESERVE				
	As per last balance sheet	383.85		-	
	Add : Amount received on Share Issued	-		383.85	
	Less : Public issue Exp written off	-	383.85	-	383.85
2	SURPLUS IN STATEMENT OF PROFIT AND LOSS				
	Balance as per last Financial year	110.89		24.27	
	Add : Profit for the year	120.38		86.62	
	Less : Appropriations	-	231.27	-	110.89
	Total		615.12		494.74

3 Long Term Borrowings

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
	Business Loan - Unsecured				
	- From Bank	43.05		51.52	
	- From NBFC	113.25	156.30	61.10	112.62
	Vehicle Loan - Secured by respective vehicles		7.91		-
	Total		164.21		112.62

4 Deferred Tax

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
	Deferred Tax Liability				
	Opening Balance	5.66		2.76	
	Addition on account of Depreciation	6.36	12.02	2.90	5.66
	Closing Balance				
	Total		12.02		5.66

Notes to the Financial Statements for the year ended 31st March 2020

5 Short Term Borrowings

(Rs in lakhs)

Sr. No	Particulars	As at		As at	
		31st March 2020		31st March 2019	
	Loan Repayable on Demands - From Banks Cash Credit Facility - Secured	393.26		64.45	
	Total		393.26		64.45

6 Trade Payables

(Rs in lakhs)

Sr. No	Particulars	As at		As at	
		31st March 2020		31st March 2019	
1	Due to Micro, Small and Medium Enterprises	-		-	
2	Due to Others	1,224.47	1,224.47	68.80	68.80
	Total		1,224.47		68.80

7 Other Current Liabilities

(Rs in lakhs)

Sr. No	Particulars	As at		As at	
		31st March 2020		31st March 2019	
1	Current Maturities of Long Term Debt		186.36		86.43
2	Other Payables				
	GST Payable	16.78		10.84	
	TDS Payable	7.87		6.50	
	Advance from Customers	0.63	25.28	25.87	43.21
	Total		211.64		129.64

8 Short Term Provisions

(Rs in lakhs)

Sr. No	Particulars	As at		As at	
		31st March 2020		31st March 2019	
1	Provision for employee benefits ;				
	- Provision for Salary & Bonus	8.10		9.71	
	- Provident Fund Payable	0.49		0.44	
	- ESIC Payable	0.09	8.68	-	10.15
2	Others :				
	- Provision for Income tax	44.50		28.55	
	- Distributor Commission			24.60	
	- Unpaid Audit Fees	0.25		0.15	
	- Misc Expenditure Payable	0.31	45.06	0.52	53.82
	Total		53.74		63.97

Note No 9: Fixed Assets		2019-20					(Amt in Lakhs)						
Fixed Assets	Gross Block					Accumulated Depreciation					Net Block		
	As at 01st April, 2019	Additions during the year	Disposals during the year	Revaluations/ (Impairments)	As at 31st March 2020	As at 01st April, 2019	Depreciation charge for the year	Adjustment	On disposals	As at 31st March 2020	As at 31st March 2020	As at 31st March 2019	
A	Tangible Assets												
1	Land	6.21	-	-	6.21	-	-	-	-	-	6.21	6.21	
2	Factory Building	234.30	3.41	-	237.71	0.07	3.75	-	-	3.82	233.89	234.23	
3	Plant & Machinery	52.24	0.13	-	52.37	-	3.31	-	-	3.31	49.06	52.24	
4	Electric Fitting	0.45	-	-	0.45	0.04	0.04	-	-	0.08	0.37	0.41	
5	Furniture & Fixtures	2.38	3.28	-	5.66	0.36	0.47	-	-	0.83	4.83	2.02	
6	Computer	9.20	1.67	-	10.87	5.69	3.26	-	-	8.95	1.92	3.51	
7	Printer	0.07	0.14	-	0.21	0.01	0.05	-	-	0.06	0.15	0.06	
8	Air Conditioner	0.89	-	-	0.89	0.05	0.17	-	-	0.22	0.67	0.84	
9	Motor Vehicle	24.44	53.67	23.04	55.07	2.17	6.04	-	3.49	4.72	50.35	22.27	
10	Office Equipment	6.67	2.36	-	9.03	1.66	2.12	-	-	3.78	5.25	5.01	
	Total (A)	336.85	64.66	23.04	378.47	10.05	19.21	-	3.49	25.77	352.70	326.80	
	Previous Year	9.65	327.19	-	336.84	4.11	5.93	-	-	10.04	326.80	5.54	
B	Intangible Assets												
	Software	19.95	0.62	-	20.57	8.97	3.90	-	-	12.87	7.70	10.98	
	Total (B)	19.95	0.62	-	20.57	8.97	3.90	-	-	12.87	7.70	10.98	
	Previous Year	19.95	-	-	19.95	5.09	3.88	-	-	8.97	10.98	14.86	
	Current Year Total (A+B)	356.80	65.28	23.04	399.04	19.02	23.11	-	3.49	38.64	360.40	337.78	
	Previous Year Total	29.60	327.18	-	356.79	9.20	9.81	-	-	19.01	337.77	20.40	

10 Long Term Loans & Advances

(Rs in lakhs)

Sr. No.	Particulars	As at 31st March 2020		As at 31st March 2019	
1	Unsecured, Considered Good unless otherwise stated : Loans & Advances				
	Advance recoverable in cash or in kind		-	-	-
2	Security Deposits				
	Security Deposits	3.77	3.77	10.45	10.45
Total			3.77		10.45

11 Other non-current assets

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
1	Share Issue Expenses	20.42		18.92	
Total			20.42		18.92

12 Inventories

(Rs in lakhs)

Sr. No.	Particulars	As at 31st March 2020		As at 31st March 2019	
1	(At lower of cost or Net Realisable Value) Finished Goods	712.14	712.14	541.39	541.39
	Total		712.14		541.39

13 Trade Receivables

(Rs in lakhs)

Sr. No.	Particulars	As at 31st March 2020		As at 31st March 2019	
(1)	Outstanding for not more than six months				
	Unsecured, considered good	2,190.44	2,190.44	652.88	652.88
(2)	Outstanding for more than six months				
	Unsecured, considered good		-	0.18	0.18
Total			2,190.44		653.06

14 Cash and Cash Equivalents

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
1	Cash & Cash Equivalent				
	(a) Balances with Schedule Banks				
	Balance with Bank	13.22	13.22	23.80	23.80
	(b) Cash on Hand	12.89	12.89	0.40	0.40
	(c) Others				
	- In Fixed Deposits	-	-	-	-
	Sub Total (A)		26.11		24.20
Total			26.11		24.20

15 Short Terms Loans and Advances

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
1	Unsecured, Considered Good :				
	Advance recoverable in cash or in kind				
	Advance to staff	3.26		0.65	
	Advance recoverable in cash or in kind	5.15	8.41	0.67	1.32
2	Others :				
	Statutory Remittance			0.17	0.17
Total			8.41		1.49

16 Other current assets

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
	Prepaid Exp	0.18	0.18		-
Total			0.18		-

Schedules Forming Part of the Statement of Profit & Loss for the year ended 31st March 2020

17 Revenue from Operations

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
1	Revenue from Operations				
	Sale of Products	3,733.77	3,733.77	2,274.38	2,274.38
	Total		3,733.77		2,274.38

18 Other Income

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
	Kasar & Vatav		9.40		0.00
	Total		9.40		0.00

19 Purchase of Stock in Trade

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
	Purchase	2,624.11	2,624.11	1,477.28	1,477.28
	Total		2,624.11		1,477.28

20 Changes in inventories of finished goods, work-in-progress and Stock-in-Trade

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
1	Stock in Trade				
	Opening Stock	541.39		189.83	
	Less : Closing Stock	712.14	(170.75)	541.39	(351.56)
	Total		(170.75)		(351.56)

21 Employee Benefits Expense

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
(A)	Salary & Wages				
	- Director Remuneration	50.40		24.00	
	- Salary & Bonus	52.62		43.59	
	- Contribution to P.F & ESIC	5.96	108.98	1.23	68.82
(B)	Staff Welfare Exp.				
	- Staff Welfare Exp	5.56	5.56	0.50	0.50
	Total		114.54		69.32

22 Finance Costs

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
1	Interest Expense				
	- Interest Exp	61.78	61.78	43.94	43.94
2	Other Borrowing Costs				
	- Bank Charges & Other	11.89	11.89	7.51	7.51
	Total		73.67		51.45

Schedules Forming Part of the Statement of Profit & Loss for the year ended 31st March 2020

23 Other Expenses

(Rs in lakhs)

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
	Advertising Exp		2.49		0.71
	Auditor Fees		0.25		0.20
	Award Reward Expenses		19.09		4.95
	Consultancy Expenses		0.47		0.00
	Discount Expenses		19.52		28.77
	Distributor Incentive & Commission Exp		707.53		641.18
	Donations		2.57		2.83
	Electricity Exp		2.01		1.57
	Event Management Exp		47.05		84.48
	Insurance Exp		0.64		2.09
	Late Fees Expenses.		0.12		0.00
	Labour Exp.		0.00		1.36
	Legal Fees		7.29		29.99
	Loss on car sales		2.95		0.00
	Membership Fees		1.00		0.50
	Misc Exp W/off		0.00		4.73
	Miscellaneous Expenditure		0.04		0.00
	Office & Godown Rent		7.61		11.63
	Office & Factory Expenses		16.53		23.56
	Outgoing Transportation Exp		34.87		21.29
	Postage Exp		0.00		5.49
	Printing & Designing Exp		0.00		2.73
	Registration & License Expenses		0.00		1.24
	Software Exp		5.87		8.31
	Short / Excess Provision written off		7.69		0.02
	Stationery & Printing Material Exp		2.82		1.65
	Telephone Exp.		0.91		0.95
	Travelling Exp		17.14		19.10
	Vehicle Repairing Exp.		0.79		0.69
			907.25		900.02
	Total		907.25		900.02

24 Earning Per Share

Sr. No	Particulars	As at 31st March 2020		As at 31st March 2019	
1	Profit attributable to the Equity Shareholders	A	120.38	A	86.62
	Total Equity shares outstanding during the end of the year		6,474,125		6,474,125
2	Basic / Weighted average number of Equity Shares outstanding during the period	B	6,474,125	B	4,909,365
3	Nominal value of Equity Shares (Rs.)		10.00		10.00
4	Basic Earnings per Share (Rs.)	A / B	1.86	A / B	1.76
5	Diluted Earning per Share (Rs.)		1.86		1.76

NOTES ON ACCOUNTS:

a) **Foreign Currency Earning / Expenditure:- NIL**

b) The MSME status is not known to the Company and nor provided to us, hence information is not given.

c) **Related Party Disclosures:-**

a) Transactions with Related Parties as specified under Accounting Standard – 18 issued by the Institute of Chartered Accountant of India-

Enterprises over which Key Managerial Personnel exercises significant influence	Dada Organics – Proprietor firm of Dinesh B Pandya
	Dada Organics Pvt Ltd
Key Managerial Personnel (KMP) on the Board	
Mr. Dineshbhai B Pandya	Promoter- Managing Director
Mrs. Jayshree D. Pandya	Promoter- Director
Ms. Deviben D. Pandya	Director
Mr. Devang D. Pandya	Director
Mr. Jigar D. Pandya	Director
Mr. Rajeshkumar R. Parekh	Independent Director
Mr. Vivek G. Dadhanania	Independent Director
Mr. Rushabh Vora	Independent Director
Mr. Yagnik D. Mundadiya	Independent Director
Ms. Kinjal J. Khunt	Independent Director

b) Particulars of Related Party Transactions:-

(Rs in Lakhs)

Particulars	Salary/ Remuneration		Purchase/(Sale)		O/S Payable	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Mr. Dineshbhai B Pandya	26.40	12.00	NA	NA	2.00	2.80
Mrs. Jayshree D. Pandya	6.00	3.00	NA	NA	0.50	0.75
Ms. Deviben D. Pandya	6.00	3.00	NA	NA	0.50	0.75
Mr. Devang D. Pandya	6.00	3.00	NA	NA	0.50	0.75
Mr. Jigar D. Pandya	6.00	3.00	NA	NA	0.50	0.75
Dada Organics	NA	NA	2511.86	1184.74	1161.92	65.60
Dada Organics	NA	NA	(0.15)	(1.51)	Nil	Nil
Dada Organics Pvt Ltd	NA	NA	Nil	261.89	Nil	Nil
Dada Organics Pvt Ltd	NA	NA	Nil	(164.86)	Nil	Nil

- c) 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.
- d) The balance of Sundry Creditors, Sundry Debtors, and Loans & Advances are unsecured, considered good and reconciled from subsequent transaction and/ or confirmations are obtained.
- e) Previous year's figures have been regrouped / reclassified wherever necessary to confirm to current year's classification.
- f) As informed to us, there are no contingent liabilities as on Balance Sheet Date.
- g) Figures of the previous financial year have been taken and relied from the financial statement of the previous auditor.
- h) As certified by the Directors all amounts in the Balance Sheet relating to Sundry Debtors, Sundry Creditors, Unsecured Loans, Deposits, Loans and advances are shown at net realizable or net payable as the case may be.
- i) As certified by Company that it has received written representation from all the Directors, that Companies in which they are Directors had not defaulted in terms of section 164 (2) of the Companies Act, 2013, and that representation of Directors taken in Board that Director is disqualified from being appointed as Director of the Company.

As per our report of even date

For, Loonia & Associates
Chartered Accountants
FRN No: 130883W

For and on behalf of the Board of Directors

Dineshbhai B. Pandya	Jigar D. Pandya
Managing Director	Director
DIN: 06647303	DIN: 07905076

Hitesh Loonia
Proprietor
Membership No. 135424
UDIN:20135424AAAABX4874

Nirajkumar Malaviya	Devang D.Pandya
Company Secretary	Chief Financial Officer

Place: Ahmedabad
Date : 30.06.2020