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115th ANNUAL REPORT

2020-21

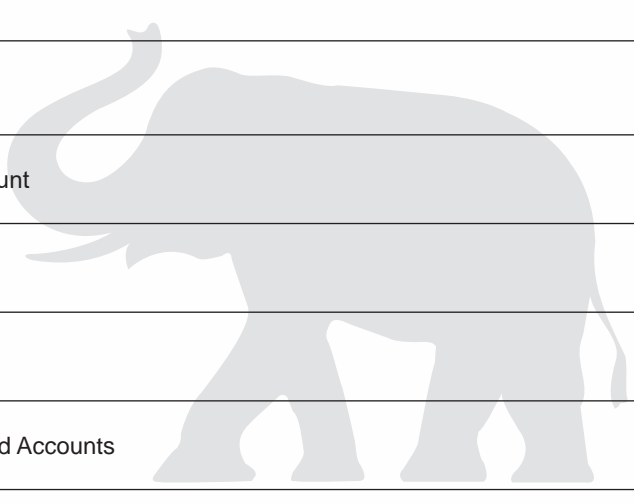
BOMBAY SWADESHI STORES LTD.

HOME DECOR | WELLNESS | PASHMINA | FURNISHINGS | ACCESSORIES



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mrs. Madhu Chandak
Director

Mrs. Manjri Chandak
Director

Mrs. Jyoti Kabra
Director

STATUTORY AUDITORS

M/s. Banshi Jain & Associates,
Chartered Accountants

BANKERS

HDFC Bank Limited

REGISTERED OFFICE

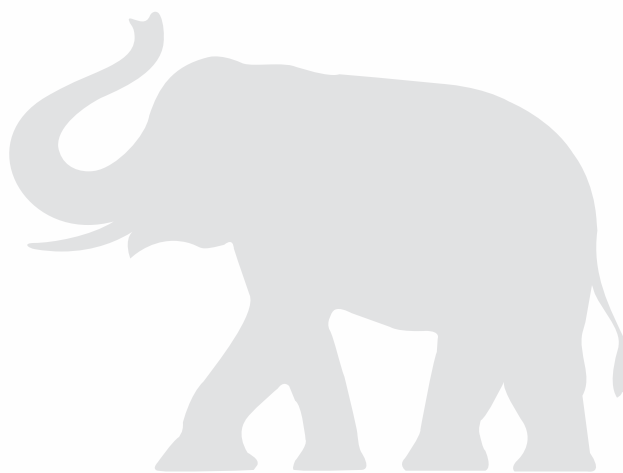
Western India House,
Sir Pherozeshah Mehta Road,
Fort, Mumbai – 400 001
Tel: 022 - 2288 5048 / 49

CORPORATE OFFICE

304, 3rd Floor, Hubtown Solaris,
Prof NS Phadke Marg,
Opp. Teli Gali, Vijay Nagar,
Andheri East, Mumbai-400 069
Tel: +91 022 6835 1600

Email: investor@bombaystore.com

Website: www.thebombaystore.com



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NOTICE

NOTICE is hereby given that the 115th (One Hundred and Fifteenth) Annual General Meeting of the Members of Bombay Swadeshi Stores Limited will be held on Tuesday, 28th September, 2021 at 11:00 a.m. IST through video conferencing (VC) or other audio visual means (OAVM) to transact the following business:

ORDINARY BUSINESS:

1. Adoption of Accounts:

- a) To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the financial year ended 31st March, 2021 together with the Reports of the Board of Directors and Auditors thereon;
- b) To receive, consider and adopt the Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2021 together with the Reports of the Auditors thereon;

2. Retire by Rotation:

To appoint a Director in place of Mrs. Jyoti Varun Kabra (DIN: 07088904) who retires by rotation and being eligible offers herself for re-appointment.

By Order of the Board of Directors of
Bombay Swadeshi Stores Limited
Manjri Chandak
Director
DIN: 03503615

Place: Mumbai

Dated: 25th August, 2021

Registered Office Address:

Western India House

Sir Pherozeshah Mehta Road

Fort, Mumbai – 400 001

CIN: U74999MH1905PLC000223; Tel No.: 022 22885048/49

Email Id: investor@bombaystore.com

Website: www.thebombaystore.com

NOTES:

1. In view of the ongoing COVID-19 pandemic and deadly outbreak of the Second Wave of the pandemic, the Ministry of Corporate Affairs ("MCA") issued Circular No. 14/2020 dated 8th April, 2020 read with Circular No.17/2020 dated 13th April, 2020, Circular No.20/2020 dated 5th May, 2020 and Circular No.02/2021 dated 13th January, 2021 ("MCA Circulars") permitting holding of Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)

without the physical presence of Members at a common venue. Hence, Members can attend and participate in the ensuing 115th AGM of the Company through VC/OAVM in compliance with the provisions of the Companies Act, 2013 ("Act") and MCA Circulars. The deemed venue for the 115th AGM shall be the Registered Office of the Company.

2. Since this AGM is being held pursuant to the MCA Circulars through VC/ OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Route Map and Attendance Slip are not annexed to this Notice.
3. Corporate members intending to send their authorized representatives to attend the Meeting through VC/OAVM pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Participation of members through VC/OAVM shall be reckoned for the purpose of quorum for the AGM as per Section 103 of the Companies Act, 2013.
5. At the 111th Annual general Meeting held on 30th September, 2017, the members approved appointment of Banshi Jain & Associates (Firm Registration No. 100990W) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of 111th AGM till the conclusion of the 116th AGM. In accordance with the provisions of the act and the rules made thereunder, ratification of appointment of Statutory Auditors is not required at every AGM, hence no resolution is being proposed for ratification of appointment of Statutory Auditors at this AGM. The Statutory Auditors have given a confirmation to the effect that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as Statutory Auditors.
6. Queries proposed to be raised at the Annual General Meeting may be sent to the Company at e-mail address: investor@bombaystore.com at least seven days prior to the date of Annual General Meeting. The same shall be replied suitably by the Company.
7. All the relevant documents referred to in this AGM Notice, Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 and Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of

NOTICE (Contd.)

the Companies Act, 2013 and other documents shall be available electronically for inspection by the members at the AGM. Members seeking to inspect such documents can send an email to investor@bombaystore.com upto the date of the AGM from their registered e-mail address.

8. The Register of Members and Share Transfer Books of the Company will be closed from Wednesday, 22nd September, 2021 to Tuesday, 28th September, 2021. (Both days inclusive)
9. Members holding shares of the Company as on Tuesday, 21st September, 2021, shall be entitled to vote at the Annual General Meeting of the Company. A person who is not a member as on the cut-off date should treat this notice for information purposes only.
10. Members holding shares in dematerialized form are requested to intimate all changes pertaining to change of address, bank account details, MICR code, IFSC code, mandates, power of attorney, nominations, change of name, email IDs, contact numbers etc., to their Depository Participant (DP). Changes intimated to the DPs will be automatically updated in the Company's records. Members holding shares in physical form are requested to intimate such changes to the Company's Registrar & Transfer Agent, Link Intime India Private Limited, C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083.
11. Brief profile of Director proposed to be re-appointed, nature of her expertise in specific functional areas, names of companies in which she holds directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se, etc. as stipulated under Secretarial Standard on General Meeting ("SS-2"), is annexed to the Notice of AGM.
12. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Link Intime India Private Limited, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
13. In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.thebombaystore.com and on the website of CDSL www.evotingindia.com.

14. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at investor@bombaystore.com or to Link Intime India Private Limited at rnt.helpdesk@linkintime.co.in.
15. Members holding shares in physical form are requested to notify/send any change in their address/bank mandate to the Company's Registrar and Share Transfer Agent at:

Link Intime India Private Limited,

C - 101, 247 Park, L B S Marg,

Vikhroli West, Mumbai - 400 083

Tel No.: +91 -22- 49186270

E-mail: rnt.helpdesk@linkintime.co.inWebsite: www.linkintime.co.in**16. Instructions for attending the AGM through VC/OAVM:**

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the Central Depository Services (India) Limited ("CDSL") e-Voting system. Shareholders 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.
2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons 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.
3. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
4. 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

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recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

- Members who would like to express their views/ask questions during the meeting may register themselves as a speaker and send their request from their registered e-mail address mentioning their name, demat account number/folio number, e-mail id, mobile number at investor@bombaystore.com any time **before 5.00 p.m. IST on Friday 24th September, 2021**. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

17. E-Voting:

- Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its members the facility to exercise their right to vote at the 115th Annual General Meeting by electronic means. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

- Member whose names appear in the Register of Members/List of Beneficial Owners as on **Tuesday, 21st September, 2021** are entitled to vote on the resolutions set forth in the Notice. Members who have acquired shares after the dispatch of the Annual Reports and before the cut-off date may approach the Company for issuance of the user id and password for exercising their right to vote by electronic means. The e-voting will commence on **Saturday, 25th September, 2021 at 9.00 a.m. and ends on Monday, 27th September, 2021 at 5.00 p.m.** The Company has appointed Mr. Himanshu S. Kamdar (Membership No.: FCS 5171), M/s. Rathi & Associates, Practicing Company Secretaries, as the Scrutinizer for conducting the scrutiny of the votes cast through remote e-voting and e-voting process at the AGM in a fair and transparent manner. Members desirous of voting through electronic mode may go through the procedure on e-voting detailed hereunder:

In order to increase the efficiency of the voting process and in terms with SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020, demat account holders are being provided a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would now be able to cast their vote without having to register again with the e-voting service providers, thereby facilitating seamless authentication and convenience of participating in the e-voting process.

The procedure for remote e-voting and joining the virtual AGM is as under:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, links are provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistratio

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Type of shareholders	Login Method
	<p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

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

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Procedure/instructions for shareholders voting electronically are as under:

- (i) The shareholders should log on to the e-voting website www.evotingindia.com
- (ii) Click on Shareholders” module.
- (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.
- (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 Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (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 Bombay Swadeshi Stores Limited 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) 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.
- (xvi) **Note for Non – Individual Shareholders and Custodians for remote e-voting.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

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- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

Alternatively, Non Individual shareholders are required to email the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, Scrutinizer by email through its registered email address to hsk@rathiandassociates.com with a copy marked to helpdesk.evoting@cdslindia.com

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section.

18. Process for those members whose email ids/mobile number are not registered with the Company/ Depositories:

For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to the Company’s Registrar and Share Transfer Agent, Link Intime India Private Limited, at rnt.helpdesk@linkintime.co.in.

For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)

For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending

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

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

19. The instructions for members for e-voting on the day of the AGM are as under:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members, who will be 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 in the AGM.
3. 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.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

20. Other instructions

1. The Company has appointed Mr. Himanshu S. Kamdar (Membership No.: FCS 5171), Partner of M/s. Rathi& Associates, Practicing Company Secretaries, as scrutinizer (the ‘Scrutinizer’) for conducting the e-voting and remote e-voting process for the Annual General Meeting in a fair and transparent manner.
2. The Scrutinizer shall after the conclusion of voting at the AGM, will count the votes cast at the meeting through e-voting 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 48 hours of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person

NOTICE (Contd.)

authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

3. The results of e-voting, physical assent/dissent and poll, if any, shall be aggregated and declared on or after the AGM of the Company by the Chairperson or by any other person duly authorised in this regard. The results declared along with the Scrutinizer's Report shall be placed on the website the Company www.thebombaystore.com and on CDSL's website immediately after the declaration of result by the Chairperson or a person authorized by her.

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

Manjri Chandak
Director
DIN: 03503615

Place: Mumbai

Dated: 25th August, 2021

Registered Office:

Western India House

Sir Pherozeshah Mehta Road

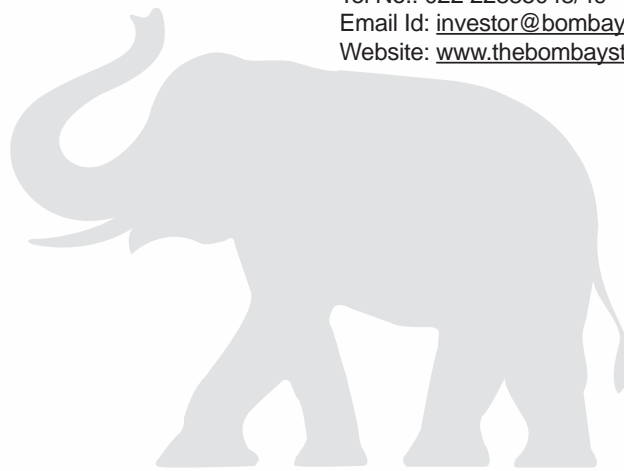
Fort, Mumbai – 400 001

CIN: U74999MH1905PLC000223

Tel No.: 022 22885048/49

Email Id: investor@bombaystore.com;

Website: www.thebombaystore.com



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

Name of the Director	Mrs. Jyoti Varun Kabra
Category	Non-Executive Director
Appointment/ Re-appointment	Re-appointment
DIN	07088904
Age	34 years
Date of Appointment on the Board	02 nd February, 2016
Education Qualifications	B.Com, MBA (Marketing) and Diploma in Advertising.
Nature of Expertise & Experience	Finance and Accounts
Shareholding in the Company	14,95,186 shares (30.27%)
Terms and Conditions of Appointment/re- appointment	Non-executive Director, liable to retire by rotation
Details of Remuneration sought to be paid	Nil
Remuneration last drawn	Nil
Number of Board Meetings attended during the year	5
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Mrs. Jyoti Kabra is Sister of Mrs. Madhu Chandak & Mrs. Manjri Chandak – Directors of the Company.
Name of the other Companies in which also holds Directorship	<ul style="list-style-type: none"> • Bombay Store Retail Company Limited • Plastiblends India Limited • Panigha Creations Private Limited • Damani Research Foundation of Medical Sciences
Memberships/ Chairmanships of Committees held on other Board.	None

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

Manjri Chandak
Director
DIN: 03503615

Place: Mumbai
Dated: 25th August, 2021

Registered Office:

Western India House, Sir Pherozeshah Mehta Road,
Fort, Mumbai – 400 001

CIN: U74999MH1905PLC000223

Tel No.: 022 40496500; Email Id: investor@bombaystore.com; Website: www.thebombaystore.com

DIRECTORS' REPORT

To,
The Members
BOMBAY SWADESHI STORES LIMITED (BSSL)

Your Directors have pleasure in presenting the 115th Annual Report of your Company together with the Audited Financial Statements for the Financial year ended 31st March, 2021. ('the year under review', 'the year', or 'FY21')

1. FINANCIAL STATEMENT & RESULTS

a. Financial results (Standalone)

The Company's performance during the year ended 31st March, 2021 as compared to the previous financial year, is summarized below:

(Rs. in Lakhs)

Particulars	FY 2020-21	FY 2019-20
Income from Operation	1763.78	5428.17
Other Income	10.71	63.31
Total Revenue	1774.49	5491.48
Less: Expenses	3426.75	5445.14
Profit before tax	(1652.26)	46.34
Less: Tax Expense	(392.49)	42.85
Profit/ (Loss) after Tax	(1259.78)	3.49

b. Operations:

The financial year 2020-21 was undeniably one of the toughest years we had to face ever. However we remained firm, strong & determined like a lighthouse despite all the challenges and disturbance we had in business due to the pandemic. We stood strong and positive by the side of all our employees, shareholders and all business associates in the face of adversity, staying true to our ethos of resilience, agility and ingenuity.

As an organisation we have battled the worst of pandemic conditions in human history, we determinedly continued serving our customers with the same passion and helping the society and nation in its fight against Covid 19 Pandemic. With the closure of malls and high street stores due to Nationwide lockdown caused our revenues to take a severe hit, as an organisation it became necessary for us to initiate some major cost-saving measures across the network of stores. Owing to astute planning and consistent negotiations, we were successful in saving more than INR 4.50 Crores on account of rent negotiations across our stores, warehouses and office premises.

We utilised the lockdown period in training and certification of our store team including managers with various processes and subjects related to soft skills, upselling, conversions etc and also detailed product knowledge training was imparted to all staff in all categories.

As the lockdown was lifted and the economy began showing signs of recovery with the opening of stores in malls and highstreets in June-2020, we focused on the safety and well-being of our customers and employees over anything else. We trained all our staff on the precautions and safety measures to be adapted at the stores and while dealing with customers inside the stores, we equipped all our stores with sanitisers, gloves, masks, dispensers and dedicated trash boxes to dispose of waste.

We have opened only 1 store in this FY which was in DLF Mall Saket-Delhi, this store was the project-initiated pre-pandemic and was opened in Aug-2020, but as a cost saving measure, we have closed some of the non-profitable and high rental commitments stores, some of the stores which were closed during the FY are Ambience Mall (Delhi), Inorbit Mall and Airport Store (Vadodara), Mantri Mall (Bangalore), Hyderabad Airport (International Terminal), Khar Linking Road & Breach Candy Store (standalone store)

The total number of stores has reduced from 31 in 2020 to 25 at the end of the day of 31st March-2021.

c. Dividend

In view of losses, the Board of Directors does not recommend any dividend for the Financial Year ended 31st March, 2021.

d. Transfer To Reserves

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

e. Change in the nature of business, if any

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

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

The Company faced significant headwinds due to

DIRECTORS' REPORT (Contd.)

COVID-19 Pandemic which impacted the operations of the Company adversely particularly by way of store closures due to lockdown. This unprecedented disruption has had an adverse impact on the performance of the Company and continues to impact its business and financial results. The Company has put into place certain strategic steps like negotiating rentals for stores, streamlining costs, etc. to ensure a bounce back from this situation.

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

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

The performance and financial position of the subsidiary for the year ended 31st March, 2021 is attached and marked as "Annexure I" and forms part of this report.

During the financial year under review, the Company did not have any Associate and/or Joint Venture Companies.

h. Particulars of Contract or Arrangement with Related Parties

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

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

i. Revision of Financial Statement

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

j. Particulars of Loans, Guarantees, Investment and Securities

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

k. Deposits

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

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

Amount accepted as deposit during the year	Nil
Amount of deposit and interest thereon remained unpaid or unclaimed as at the end of the year	Rs. 1,77,500 (unclaimed)
Whether there has been any default in repayment of deposit or payment or interest thereon during the year;	No
If yes number of cases and the total amount involved:	
- At the beginning of the year	NA
- Maximum during the year	NA
- At the end of the year	NA
Details of deposit which are not in compliance with the requirement of Chapter V of the Act	NA

Note: It includes accrued Interest

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

l. Changes in the Share Capital

During the year under review, there was no change in the Authorized as well as Paid up Share Capital of the Company.

m. Maintenance of Cost Audit Records

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

2. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

a. Board of Directors & Key Managerial Personnel

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

DIRECTORS' REPORT (Contd.)

Mr. Santanu Ghosh resigned as CEO of the Company with effect from 3rd April, 2021.

b. Director retiring by rotation

As per the provisions of Section 152 of the Companies Act, 2013, Mrs. Jyoti Kabra (DIN: 07088904) retires by rotation and being eligible offers herself for re-appointment at the ensuing Annual General Meeting. Necessary resolution for her re-appointment is included in the Notice of AGM for seeking the approval of Members. The Directors recommend her re-appointment for your approval.

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

3. DISCLOSURE RELATED TO BOARD, COMMITTEES AND POLICIES:

a. Board Meetings

The Board of Directors met 5 (five) times during the financial year ended 31st March, 2021 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. The details of the Board meetings and attendance of each director thereat are provided herein below:

Sr. No.	Date of the Meeting (dd-mm-yyyy)
1	22-06-2020
2	27-08-2020
3	18-11-2020
4	21-12-2020
5	26-03-2021

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

Name of Directors	No. of Board Meetings		Attendance at last AGM held on 28 th September, 2020
	Held*	Attended	
Mrs. Manjri Chandak	5	5	Yes
Mrs. Madhu Chandak	5	5	Yes
Mrs. Jyoti Kabra	5	5	Yes

b. Stakeholders Relationship Committee

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

The Stakeholders Relationship Committee comprises of:

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

Stakeholder Relationship Committee meetings held during the financial year under review: Nil

c. Internal Control Systems

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

d. Risk Management:

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

e. Directors' Responsibility Statement

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

DIRECTORS' REPORT (Contd.)

- (a) in the preparation of the annual accounts for the year ended 31st March 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts of the Company have been prepared on a going concern basis; and
- (e) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

4. AUDITORS & REPORT

Auditors:

M/s. Banshi Jain & Associates, Chartered Accountants (Firm Registration No. 100990W) were appointed as Statutory Auditors of your Company at the 111th Annual General Meeting (AGM) of the Company for a term of five consecutive years from the conclusion of the said AGM till the conclusion of the 116th AGM. The observations in Auditors report read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

Reporting of fraud:

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

5. OTHER DISCLOSURES

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

a. Corporate Social Responsibility

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

b. Extract of the Annual Return

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and administration) Rules, 2014, the Annual Return of the Company is available on the Company's website at <https://thebombaystore.com/pages/investor-relations>

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

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

The total foreign exchange expended during the year was Rs. NIL (previous year Nil) and earned during the year was Rs.52.16 Lakhs (previous year Rs.1246.10 Lakhs).

d. Secretarial Standard Compliance

During the year under review, the Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government pursuant to Section 118(10) of the Companies Act, 2013.

DIRECTORS' REPORT (Contd.)

6. GENERAL

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

1. Payment of remuneration or commission received by Directors from the Holding/Subsidiary Company during the financial year 2020-21.
2. Issue of equity shares with differential rights under Employees Stock Option Scheme as per provisions of Section 62(1) (b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014.
3. Issued Equity Shares with differential rights as to dividend, voting or otherwise as per section 43 of the Companies Act, 2013
4. Issue of shares (including sweat equity shares) to employees of the Company under any scheme pursuant to section 54 of the Companies Act, 2013
5. Non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Companies Act, 2013 read with Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014; and
6. Significant or material orders passed by the Regulators or Courts or Tribunals having an impact on going concern status and Company's operations in future.

7. PROTECTION OF WOMEN AT WORKPLACE

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No case pertaining to sexual harassment has been reported to Company during the Financial Year 2020-21.

8. APPRECIATION

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

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

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

Madhu Chandak
Director
DIN: 07029901

Manjri Chandak
Director
DIN: 03503615

**Date: 25th August, 2021
Place: Mumbai**

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

DIRECTORS' REPORT (Conld.)

ANNEXURE – I

PERFORMANCE OF SUBSIDIARIES COMPANIES

FORM AOC- 1

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

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

Part “A”: Subsidiaries

(₹ in lakhs)

1.	Serial No.	(i)
2.	Name of the subsidiary	Bombay Store Retail Company Limited
3.	The date since when subsidiary was acquired	25/01/2008
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as of the Holding Company
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	N.A
6.	Share capital	300.00
7.	Reserves and Surplus	(1322.29)
8.	Total Assets	38.74
9.	Total Liabilities excluding Share Capital, Reserves & Surplus	1061.03
10.	Investments	0.99
11.	Turnover	-
12.	Profit/(loss) before taxation	(6.97)
13.	Provision for taxation	-
14.	Profit/(loss) after taxation	(6.97)
15.	Proposed Dividend	NIL
16.	Extent of shareholding (in percentage)	100%

1. Name of the subsidiaries which are yet to commence operations – **Not Applicable**
2. Name of the subsidiaries which have been liquidated or sold during the year– **Not Applicable**

Part “B”: Associates and Joint Ventures: Not Applicable.

BOMBAY SWADESHI STORES LIMITED



**STANDALONE
FINANCIAL
STATEMENTS**

SINCE 1906

-: FY 2020-21 :-

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BOMBAY SWADESHI STORES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of BOMBAY SWADESHI STORES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards as prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the loss and its cash flows for the year ended on that date.

Basis for Opinion

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

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

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

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

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

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

Responsibility of Management for the Standalone Financial Statements

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole

INDEPENDENT AUDITOR'S REPORT (Contd.)

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

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

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

statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting with reference to these standalone financial statements of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
 - g) In our opinion and to the best of our information and according the explanation given to us, the company has not paid or provided managerial remuneration for the year ended March 31, 2021.

INDEPENDENT AUDITOR'S REPORT (Contd.)

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the pending litigations which would impact its financial position in Note No 25.
 - ii. The Company did not have any long – term contracts including derivative contracts for which there were any material foreseeable loses.
 - iii. There has been no delay in transferring the amounts, required to be transferred to the Investor Education and Protection Fund by the Company as on Balance Sheet Date.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

R.B. Golecha
Partner

Membership No. **035348**
UDIN : 21035348AAAAGN5890

Place: MUMBAI
Date: 25/08/2021

Annexure 'A' to The Independent Auditor's Report

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

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

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

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

INDEPENDENT AUDITOR'S REPORT (Contd.)

directors including entities in which they are interested and in respect of loans and advances given, investments made, guarantees and securities given have been complied by the company.

- v. According to information and explanation given to us, the company has not accepted any deposits during the year. There are no unclaimed deposits to which the provision of Section 73 and 76 of the Act or any other relevant provisions of the Companies would apply.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. According to the information and explanation given to us in respect of statutory dues:
- a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it.
- b) According to the information and explanation given to us, there are no dues of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess which were outstanding at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, the particulars of dues of income tax, service tax as at 31st March 2021 which have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amounts involved (₹)	Period to which the amount relates	Forum where dispute is pending
Central Excise and Service Tax	Service Tax	1,45,897	2008-09, 2010-11	Supreme Court
Income Tax Act	Income tax	5,630	2014-15	CIT (A)
Income Tax Act	Income tax	7,97,901	2015-16	CIT (A)

- viii. The Company has not taken any loans or borrowings from financial institutions, banks and government or

has not issued any debentures. Hence reporting under clause 3 (viii) of the Order is not applicable to the Company.

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

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

R.B. Golecha
Partner

Place: MUMBAI
Date: 25/08/2021

Membership No. **035348**
UDIN : 21035348AAAAGN5890

INDEPENDENT AUDITOR'S REPORT (Contd.)

Annexure –B to the Auditor's Report

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

In conjunction with our audit of the standalone financial statements of Bombay Swadeshi Stores Limited (the "Company") as at and for the year ended 31 March 2021, we have audited the internal financial controls over financial reporting of the Company as of that date.

Management's Responsibility for Internal Financial Controls

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

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company and;
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

INDEPENDENT AUDITOR'S REPORT (Concl.)

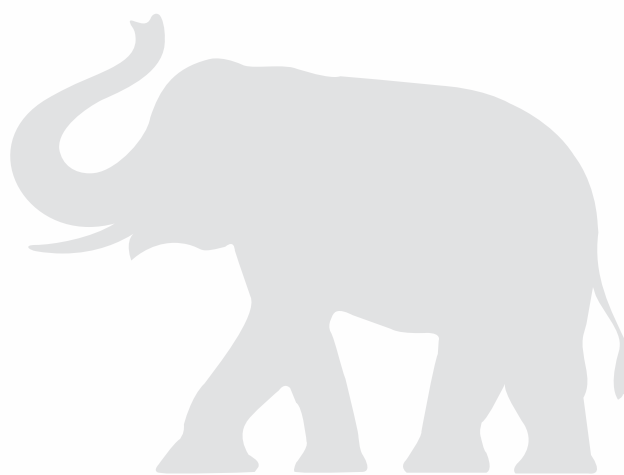
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Place: MUMBAI
Date: 25/08/2021

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

R.B. Golecha
Partner
Membership No. **035348**
UDIN : 21035348AAAAGN5890



SINCE 1906

STANDALONE BALANCE SHEET AS AT 31ST MARCH 2021

	Note	2020-21	2020-21	2019-20
		₹.	₹.	₹.
EQUITY AND LIABILITIES				
SHAREHOLDERS FUNDS :				
Share Capital	2	98,80,000		98,80,000
Reserves & Surplus	3	2,02,05,978		14,61,83,581
			3,00,85,978	15,60,63,581
NON CURRENT LIABILITIES:				
Long Term Provisions	4	46,07,304		25,85,652
			46,07,304	25,85,652
CURRENT LIABILITIES				
Trade Payables	6			
Outstanding dues of micro and small enterprises		5,02,956		1,38,52,169
Outstanding dues of others		1,81,54,344		2,34,17,399
Short Term Borrowings	5	28,80,00,000		17,90,00,000
Short Term Provisions	7	2,38,50,381		2,48,68,517
Other Current Liabilities	8	1,78,94,589		2,35,16,047
			34,84,02,270	26,46,54,132
Total			38,30,95,552	42,33,03,365
ASSETS				
NON CURRENT ASSETS:				
Property, Plant & Equipments				
Tangible Assets	9		4,08,88,713	5,62,19,859
Intangible Assets			12,51,086	17,26,812
Capital Work in Progress	9		-	12,65,373
NON CURRENT INVESTMENTS:	10		3,00,00,000	3,00,00,000
LONG TERM LOANS AND ADVANCES:	11		4,91,64,993	7,32,64,298
DEFERRED TAX ASSETS	29		4,52,79,158	60,30,473
OTHER NON CURRENT ASSETS	12		56,33,008	99,86,091
CURRENT ASSETS:				
Inventories	13	10,89,96,994		16,16,57,442
Trade Receivables	14	4,50,253		92,706
Cash & Cash Equivalents	15	2,81,34,391		2,71,74,870
Short Term Loans & Advances	16	7,03,37,726		5,26,36,182
Other Current Assets	17	29,59,229		32,49,259
			21,08,78,594	24,48,10,460
Total			38,30,95,552	42,33,03,365
Notes forming part of Financial Statements	1 -33			

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

R. B. GOLECHA
Partner
Membership No:035348

Madhu Chandak
Director

Manjri Chandak
Director

Jyoti Kabra
Director

MUMBAI, 25th August 2021

MUMBAI, 25th August 2021

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2021

	Note	2020-21 ₹.	2019-20 ₹.
INCOME :			
Revenue from Operations	18	17,63,77,970	54,28,17,558
Other Income	19	10,70,973	63,31,160
Total Revenue		17,74,48,943	54,91,48,718
EXPENSES :			
Purchase Of Stock In Trade	20	4,18,68,007	33,22,78,743
Change in Inventories of Stock in Trade	21	5,25,57,689	(7,18,92,818)
Employee Benefit Expenses	22	8,95,73,215	8,33,96,243
Finance Costs	23	18,51,553	69,05,326
Other Expenses	24	13,30,90,959	17,69,08,514
Depreciation & amortisation expenses	9	2,37,33,809	1,69,18,639
Total Expenses		34,26,75,232	54,45,14,646
Profit before Exceptional Items		(16,52,26,289)	46,34,072
Exceptional Items		-	-
Profit/(Loss) before Tax		(16,52,26,289)	46,34,072
Provision for Tax		-	60,59,829
Provision for Deferred Tax		(3,92,48,685)	(17,75,165)
Less: Prior years tax adjustments			(268)
Total Tax Expenses		(3,92,48,685)	42,84,396
Profit/(Loss) for the year		(12,59,77,604)	3,49,676
Basic and diluted earning per share (in ₹.)	28	(25.50)	0.07
Notes forming part of Financial Statements	1 -33		

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

R. B. GOLECHA
Partner
Membership No:035348

MUMBAI, 25th August 2021

Madhu Chandak
Director

Manjri Chandak
Director

Jyoti Kabra
Director

MUMBAI, 25th August 2021

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

	2020-21		2019-20	
	₹.	₹.	₹.	₹.
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax and Exceptional items		(16,52,26,289)	-	46,34,072
Add: Adjustments for :			-	
Depreciation & Amortisation	1,82,05,885		1,45,60,820	
Loss on sale/Write Off of Fixed Asset	33,51,251		25,319	
Interest received	(1,27,297)		(1,17,766)	
(Profit) / Loss on sales of Investment	-	2,14,29,839	(49,00,000)	95,68,373
Operating Profit before Working Capital Changes		(14,37,96,451)		1,42,02,445
Adjustments for :				
Increase / (Decrease) in Trade payables	(1,86,12,268)		2,90,90,123	
Increase / (Decrease) in Other Current Liabilities	(56,21,458)		1,28,95,158	
Increase / (Decrease) in Long Term Provisions	20,21,652		8,46,959	
Increase / (Decrease) in Short Term Provisions	(10,18,136)		18,27,837	
(Increase) / Decrease in Inventories	5,26,60,448		(7,55,02,506)	
(Increase) / Decrease in Long Term Loans & Advances	2,40,99,305		(2,90,37,018)	
(Increase) / Decrease in Other Non Current Assets	43,53,083		(79,38,673)	
(Increase) / Decrease in Short Term Loans & Advances	(1,76,74,853)		(1,71,52,866)	
(Increase) / Decrease in Other Current Assets	2,90,030		(23,66,914)	
(Increase) / Decrease in Trade & Other receivables	(3,57,547)	4,01,40,255	12,40,554	(8,60,97,344)
Cash Generated from Operations		(10,36,56,195)		(7,18,94,898)
Direct taxes paid		(26,691)		(1,01,41,258)
Net Cash from Operating Activities	[A]	(10,36,82,886)		(8,20,36,156)
B CASH FLOW FROM INVESTMENT ACTIVITIES				
Purchase of Assets		(45,63,017)	-	(4,89,93,054)
Sale of Assets		78,125		-
Addition to Capital Work In Progress		-		(12,65,373)
(Purchase)/Sale of Investments		-		50,00,000
Interest received		1,27,297		1,17,766
Net Cash from Investing Activities	[B]	(43,57,595)		(4,51,40,661)

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

	2020-21		2019-20	
	₹.	₹.	₹.	₹.
C CASH FLOW FROM FINANCING ACTIVITIES				
Receipt / (Repayment) of borrowings		10,90,00,000	-	14,20,00,000
Net Cash Flow from Financial Activities	[C]	10,90,00,000		14,20,00,000
Net Cash increase/(Decrease) in cash and Cash equivalents	(A+B+C)	9,59,519		1,48,23,181
Cash and Cash Equivalents (Opening) :				
Cash on Hand	83,920		8,92,649	
Balance with Banks	2,70,90,952	2,71,74,872	1,14,59,041	1,23,51,690
Cash and Cash Equivalents (Closing) :				
Cash on Hand	2,23,249		83,920	
Balance with Banks	2,79,11,142	2,81,34,391	2,70,90,952	2,71,74,871

Notes :

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

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

Madhu Chandak
Director

R. B. GOLECHA
Partner
Membership No:035348

Manjri Chandak
Director

Jyoti Kabra
Director

MUMBAI, 25th August 2021

MUMBAI, 25th August 2021

AUDITOR'S REPORT ON CASH FLOW STATEMENT

We have examined the attached Cash Flow Statement of Bombay Swadeshi Stores Limited for the year ended 31st March, 2021. The statement has been prepared as per AS-3 on Cash Flow Statement issued by Institute of Chartered Accountants of India under the "Indirect Method" and is in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report dated 25th August, 2021 to the members of the Company."

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

MUMBAI, 25th August 2021

R. B. GOLECHA
Partner
Membership No:035348

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 (Contd.)

1 Company Background

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

1.1 Significant Accounting Policies

A. Basis of Accounting: The Financial Statements are prepared under historical cost conventions, on accrual basis of accounting and in accordance with the applicable mandatory Accounting Standards as notified under the relevant provisions of the Companies Act, 2013.

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

C. Fixed Assets

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

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

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

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

iv. **Intangible Assets:** Software has been amortised over a period of 60 months. The Non-compete agreement and licences included in Intangible asset are amortised over its useful life.

D. Investments

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

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

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 (Contd.)

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

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

G. Sales

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

H. Gift Voucher

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

I. Employees Benefits

i. Defined Contribution Plan:

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

ii. Defined Benefit Plan:

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

iii. Leave Liability:

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

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

J. Taxes on Income :

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 (Contd.)

only to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised and are reviewed at each balance sheet date.

K. Earning per share :

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

L. Provisions, Contingent Liabilities and Contingent Assets :

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

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

R. B. GOLECHA
Partner
Membership No:035348

MUMBAI, 25th August 2021

Madhu Chandak
Director

Manjri Chandak
Director

Jyoti Kabra
Director

MUMBAI, 25th August 2021

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 (Contd.)

		2020-21	2019-20
		₹.	₹.
2	SHARE CAPITAL		
2.1	Authorised :		
	15,000,000 (Previous Year 15,000,000) Equity shares of ₹ 2/- each	3,00,00,000	3,00,00,000
	200,000 (Previous Year 200,000) Preference shares of ₹ 100/- each	2,00,00,000	2,00,00,000
	Total	5,00,00,000	5,00,00,000
2.2	Issued, subscribed and paid-up:		
	4,940,000 (Previous year 4,940,000) Equity shares of ₹ 2/- (Previous year ₹ 2/-) each fully paid-up in cash	98,80,000	98,80,000
	Total	98,80,000	98,80,000

2.3 Reconciliation of Shares outstanding at the beginning and end of the year:

Particulars	2020-21		2019-20	
	No of Shares	Amount	No of Shares	Amount
Equity Shares at the beginning of the year	49,40,000	98,80,000	49,40,000	98,80,000
Add: Issued during the year	-	-	-	-
Equity Shares at the end of the year	49,40,000	98,80,000	49,40,000	98,80,000

2.4 Details of shareholders holding more than 5% of shares as at

Sr.	Name of Shareholders	2020-21		2019-20	
		No of Shares	% of Paid up capital	No of Shares	% of Paid up capital
1	Mrs. Madhu Abhay Chandak	14,46,818	29.29%	14,46,818	29.29%
2	Mrs. Jyoti Varun Kabra	14,95,186	30.27%	14,95,186	30.27%
3	Mrs. Manjri Aditya Chandak	14,46,852	29.29%	14,46,852	29.29%

		2020-21	2019-20
		₹.	₹.
3	RESERVES AND SURPLUS		
	Capital Reserve		
	Balance as per last Balance Sheet	10,04,364	10,04,364
	Share Premium Account		
	Balance as per last Balance Sheet	8,98,79,206	8,98,79,206
	Statement of Profit & Loss		
	Balance as per last Balance Sheet	5,53,00,011	5,49,50,335
	Add: Profit/(Loss) for the year	(12,59,77,604)	3,49,676
		(7,06,77,593)	5,53,00,011
	Balance Carried forward	Total 2,02,05,978	14,61,83,581

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 (Contd.)

		2020-21	2019-20
		₹.	₹.
4	LONG TERM PROVISIONS		
	Provision for Employee Benefits		
	Provision for Gratuity	25,55,114	7,31,693
	Provision for Leave Encashment	20,52,190	18,53,959
	Total	46,07,304	25,85,652
5	SHORT TERM BORROWING		
	<i>UNSECURED LOANS</i>		
	Loan from a Director	28,80,00,000	17,90,00,000
	Total	28,80,00,000	17,90,00,000
6	TRADE PAYABLES		
	Outstanding dues of micro and small enterprises (*)	5,02,956	1,38,52,169
	Outstanding dues of others	1,81,54,344	2,34,17,399
	Total	1,86,57,300	3,72,69,568
	(*) Disclosure in respect of Micro, Small and Medium Enterprises:		
	(A) Principal amount remaining unpaid to any supplier as at the year end	5,02,956	1,38,52,169
	(B) Interest due thereon.	-	-
	(C) Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
	(D) Amount of interest due and payable for the period of delay in making payment which have been paid but beyond the appointed day during the year] but without adding the interest specified under the MSMED.	-	-
	(E) Amount of interest accrued and remaining unpaid at the end of the accounting year. The above information has been compiled in respect of parties to the extent to which they could be identified as Micro, Small and Medium Enterprises on the basis of information available with the Company.	-	-
7	SHORT TERM PROVISIONS		
	Provision for Employee Benefits		
	Provision for Gratuity	22,68,653	33,42,156
	Provision for Leave Encashment	9,89,320	9,33,953
	Other Provisions		
	Provision for Tax	2,05,92,408	2,05,92,408
	Total	2,38,50,381	2,48,68,517
8	OTHER CURRENT LIABILITIES		
	Advance from Customers	-	2,08,683
	Interest accrued and due*	88,501	1,54,114
	Unclaim Fixed Deposit*	89,000	1,94,000
	Payable to Statutory Authorities	23,20,564	31,65,394

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 (Contd.)

	2020-21	2019-20
	₹.	₹.
Sundry Creditors for Fixed Assets	2,81,227	1,08,44,858
Other Payables	1,45,62,044	83,61,315
Payable to Subsidiary	5,53,253	5,87,683
Total	1,78,94,589	2,35,16,047

* Includes amount of ₹.NIL (Previous Year ₹ 84,874/-) to be transferred to Investor Education Protection Fund as on balance sheet date

9 Property, Plant & Equipment

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01-Apr-20	ADDITIONS	DEDUCTIONS	AS AT 31-Mar-21	AS AT 01-Apr-20	FOR THE YEAR	DEDUCTIONS/ ADJUSTMENT	AS AT 31-Mar-21	AS AT 31-Mar-21	AS AT 31-Mar-20
TANGIBLE ASSETS										
LEASEHOLD BUILDING	25,00,000	-	-	25,00,000	-	-	-	-	25,00,000	25,00,000
FURNITURE & FIXTURES	6,32,82,429	31,16,892	40,05,295	6,23,94,026	3,33,05,928	80,16,307	19,43,767	3,93,78,469	2,30,15,557	2,99,76,501
ELECTRICAL INSTALLATIONS	2,32,00,527	11,86,139	24,33,807	2,19,52,859	1,03,24,248	39,89,833	14,36,753	1,28,77,328	90,75,531	1,28,76,278
COMPUTERS & SOFTWARES	70,70,313	64,500	6,785	71,28,029	41,49,364	17,23,617	5,090	58,67,890	12,60,138	29,20,950
OFFICE & OTHER EQUIPMENTS	1,21,21,908	10,67,109	10,12,299	1,21,76,718	58,11,651	31,00,511	6,47,940	82,64,222	39,12,496	63,10,257
MOTOR CAR	22,98,682	-	-	22,98,682	6,62,808	5,10,883	-	11,73,692	11,24,990	16,35,874
Total	11,04,73,859	54,34,640	74,58,185	10,84,50,314	5,42,53,999	1,73,41,150	40,33,549	6,75,61,600	4,08,88,713	5,62,19,859
Previous Year ₹.	6,31,81,918	4,73,62,964	71,022	11,04,73,859	4,06,40,310	1,36,59,393	45,703	5,42,53,999	5,62,19,859	2,25,41,609
INTANGIBLE ASSETS										
SOFTWARE	54,18,508	3,93,750	26,432	57,85,826	36,91,696	8,64,735	21,692	45,34,740	12,51,086	17,26,812
Total	54,18,508	3,93,750	26,432	57,85,826	36,91,696	8,64,735	21,692	45,34,740	12,51,086	17,26,812
Previous Year ₹.	37,88,418	16,30,090	-	54,18,508	27,90,269	9,01,427	-	36,91,696	17,26,812	9,98,148
CAPITAL WORK IN PROGRESS										
Total	-	-	-	-	-	-	-	-	-	12,65,373
Previous Year ₹.	-	12,65,373	-	12,65,373	-	-	-	-	12,65,373	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 (Contd.)

		2020-21	2019-20
		₹.	₹.
10	NON CURRENT INVESTMENTS		
	Trade - Unquoted		
	i Investment in Subsidiary Company:		
	50,000 (Previous year 50,000) Equity shares of Bombay Store Retail Company Ltd. of ₹ 10/- each fully paid up	5,00,000	5,00,000
	ii 29,50,000 (Previous year 29,50,000) Preference shares of Bombay Store Retail Company Ltd. of ₹ 10/- each fully paid up	2,95,00,000	2,95,00,000
		3,00,00,000	3,00,00,000
	Less : Diminution in value of Investments	-	-
	Total	3,00,00,000	3,00,00,000
11	LONG TERM LOANS & ADVANCES		
	Security Deposit Given	4,91,64,993	7,32,64,298
	Total	4,91,64,993	7,32,64,298
12	OTHER NON CURRENT ASSETS		
	Building Improvement of Leasehold Premises	56,33,008	99,86,091
	Total	56,33,008	99,86,091
13	INVENTORIES		
	At cost or net realisable value whichever is lower		
	Stock in Trade - Merchandise	10,89,96,994	16,16,57,442
	Total	10,89,96,994	16,16,57,442
14	TRADE RECEIVABLES		
	(Unsecured, Considered Good)		
	Due for more than six months from the due date of payment	-	-
	Other trade receivables	4,50,253	92,706
	Total	4,50,253	92,706
15	CASH AND BANK BALANCES		
	Cash And Cash Equivalents		
	Cash on Hand	2,23,249	83,920
	Current Accounts	2,60,46,085	2,53,32,397
	Other balances		
	Deposit with Bank	18,65,057	17,58,555
	Total	2,81,34,391	2,71,74,872
16	SHORT TERM LOANS AND ADVANCES		
	(Unsecured, considered good)		
	Advance to Vendors (Goods & Exps)	96,61,772	52,51,611
	Advance to Vendors (Fixed Assets)	-	23,94,879
	Balance with Government Authorities	2,07,07,459	1,45,14,061
	Advance payment of taxes	2,55,78,513	2,55,48,957
	Security & Other Deposits	1,37,38,452	44,46,868
	Others	6,51,530	4,79,807
	Total	7,03,37,726	5,26,36,182

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 (Contd.)

		2020-21	2019-20
		₹.	₹.
17	OTHER CURRENT ASSETS		
	Building Improvement of Leasehold Premises	29,59,229	32,49,259
	Total	29,59,229	32,49,259
18	REVENUE FROM OPERATIONS		
	Sales of Merchandise	17,63,77,970	54,28,17,558
	Total	17,63,77,970	54,28,17,558
19	OTHER INCOME		
	Interest	1,27,297	1,17,766
	Miscellaneous receipts	83,261	72,029
	Sundry balances written back	8,60,414	12,41,364
	Gain on Sale of Investment	-	49,00,000
	Total	10,70,973	63,31,160
20	PURCHASE OF STOCK IN TRADE		
	Purchases of Merchandise	4,18,68,007	33,22,78,743
	Total	4,18,68,007	33,22,78,743
21	CHANGE IN INVENTORIES OF STOCK IN TRADE		
	Opening Stock	15,80,47,755	8,61,54,937
	Closing Stock	10,54,90,066	15,80,47,755
	(Increase)/Decrease	Total 5,25,57,689	(7,18,92,818)
22	EMPLOYEE BENEFIT EXPENSES		
	Salaries, Allowances & Bonus	8,14,33,085	7,27,04,346
	Provision for Gratuity	7,49,918	19,08,327
	Provision for Leave Encashment	6,20,081	15,34,305
	Contribution to Provided Fund & other Funds	64,05,676	59,84,566
	Staff Welfare expenses	3,64,455	12,64,699
	Total	8,95,73,215	8,33,96,243
23	FINANCE COSTS		
	Bank Charges	6,77,688	11,00,454
	Credit Card Charges	10,98,477	52,69,677
	Interest on Late Payment of taxes	75,388	5,35,195
	Total	18,51,553	69,05,326

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 (Contd.)

	2020-21	2019-20
	₹.	₹.
24 OTHER EXPENSES		
Lease Rent	7,37,18,178	9,55,89,779
Repairs & Maintenance - Others	1,65,57,344	1,52,92,940
Legal & Professional Charges	9,99,012	44,86,036
Sales & Other Commission	1,05,62,381	1,72,48,031
House keeping Expenses	56,87,246	52,13,013
Security services charges	29,06,718	55,84,039
Travelling & Conveyance	5,24,141	47,10,998
Electricity & Fuel	61,58,003	87,91,579
Insurance	3,02,733	98,226
Printing & Stationery	3,33,531	17,11,930
Advertisements & Sales Promotion	6,53,279	24,95,525
Packing Charges	17,54,284	57,26,322
Rates & Taxes	18,82,325	29,02,221
Loss on Discard/Write Off of Asset	33,47,037	-
Loss on sale of Assets	4,452	25,319
Forfeit of Security Deposit (PMC Lucknow Store)	10,58,760	-
Auditors Remuneration:		
Audit Fees	2,50,000	2,50,000
Tax Audit Fees	50,000	50,000
	3,00,000	3,00,000
Miscellaneous Expenses	63,41,537	67,32,556
Total	13,30,90,959	17,69,08,514

25. Contingent Liabilities:

A Tax Litigations

Particulars	31-Mar-21	31-Mar-20
Income Tax Demand**	29,87,170	29,87,170

**Income Tax demand comprise demand from the Indian tax authorities for payment of additional tax of ₹ 29,87,170/- (31st March 2020: ₹ 29,87,170/-), upon completion of their tax review for the financial year 2013-14 and 2014-15. The tax demands are mainly on account of disallowance of purchases from subsidiary. The Company has filed an appeal against the CIT (A) and received the order in favour on 18th July 2019 for both the years. The appeal giving effect of the said order is pending before Assessing Officer. Out of the amount of liability the company has already paid Rs 17,36,150/- towards liability of FY 2013-14 and ₹ 4,47,489/- towards liability of FY 2014-15 in the financial year 2019-20. No tax expenses has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the company's financial position and results of operations.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 (Contd.)

B Other Litigations

The company has its one of the retail stores in MG Road, Pune. The landlord of the said premises is M/s Aditya Hotels Pvt. Ltd. The said landlord along with M/s. Champaklal Investment & Financial Consultancy Ltd. filed a suit for permanent injunction to restrain them from carrying out any permanent additions/alterations/damaging any portions of the property

The final order dated 27.01.2015 passed in suit thereby restraining the Company i.e. Defendant to from carrying out any alterations. The Said order has been challenged by the Company in the Appeal. Landlord also filed another suit seeking vacant possession (eviction of Tenant) contending that they need the said premises for bonafide use. They also prayed for the Mesne Profit (interim rent benefits). The Court partially allowed the suit and directed the Company to hand over vacant possession to the landlords by order dated 06.01.2015. In view of the said order the Landlords filed execution proceedings seeking possession. Also being aggrieved by the said order the Company has filed an appeal before district court, Pune.

Both the aforesaid Appeals are pending for final hearing and disposal. In view of the Appeals filed by the Company the Execution proceedings are kept in abeyance by the execution court.”

26. Operating Lease

The company operates chain of retail stores. The stores have been taken on lease and the lease period differs for each store. The Lease period is renewable for further period either mutually or at the option of the Company. Lease agreements have price escalation clauses. The rent is not based on any contingencies. There are no restrictions imposed by lease arrangements.

Particulars	31-Mar-21	31-Mar-20
Lease Expenses recognised in the statement of Profit & Loss	7,37,18,178	9,55,89,779

Future minimum rentals payable under non-cancellable operating leases are as follows

Particulars	31-Mar-21	31-Mar-20
Within One year	6,39,02,584	8,68,94,293
After One year but not more than five years	4,03,99,214	10,44,53,878
More than Five years	-	-

27. Segment Reporting

The company operates in only one segment i.e. retail business. This in the context of Accounting Standard 17 of Segment Reporting as specified in the Companies (Accounting Standards) Rules 2006 are considered to constitute one single primary segment. Further, there is no reportable secondary segment i.e. geographical segment.

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

Particulars		31-Mar-21	31-Mar-20
The numerators and denominators used to calculate the basic and diluted EPS are as follows :			
A. Profit/ (Loss) after tax attributable to Shareholders	₹	(12,59,77,604)	3,49,676
B. Basic and weighted average number of Equity shares	Nos.	49,40,000	49,40,000
C. Nominal value of equity share	₹	2	2
D. Basic EPS	₹	(25.50)	0.07
E. Diluted EPS	₹	(25.50)	0.07

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 (Contd.)

2.9 Deferred Tax Assets

The breakup of deferred tax assets / liability	Deferred tax asset/ (liability) as at 31-Mar-21 ₹.	Deferred tax asset/ (liability) as at 31-Mar-20 ₹.
A. Deferred Tax Assets		
Expenses allowable for tax purpose when paid	8,47,118	13,01,290
Difference between tax and Book Written Down Value	74,37,935	47,29,183
On Account of Business Losses and Unabsorbed Depreciation	3,69,94,105	-
	4,52,79,158	60,30,473
B. Deferred Tax Liability		
Deferred Tax Liability	-	-
	-	-
C. Net Deferred Tax Assets		
	4,52,79,158	60,30,473

30. Related Party Disclosures

A. Relationship

- I) **Subsidiary Company**
Bombay Store Retail Company Limited
- II) **Associate Company**
Out Of India Retail Pvt Ltd*
- III) **Key Management Personnel & Relatives:**
Mrs.Madhu Chandak-Director
Mrs.Manjri Chandak-Director
Mrs.Jyoti Kabra-Director
- IV) **Other Parties / Enterprises where control / significant influence exists.**
Avenue Supermarts Limited

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

B. Details of Transactions with Related Parties.

Sr.	Nature of Transactions	Related Party Referred in		
		A (I)	A (III)	A (IV)
i.	Expenditure			
	Rent and Utilities Reimbursement	-	-	-
		(60,647)	(-)	(3,60,000)
ii.	Loans and Advances			
	Loans Received		10,90,00,000	
			(14,42,00,000)	
	Loans Repaid		-	
			(22,00,000)	

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 (Conld.)

Sr.	Nature of Transactions	Related Party Referred in		
		A (I)	A (III)	A (IV)
iii.	Outstanding Balance			
	Loans & Advances	-	28,80,00,000	-
	received	(-)	(17,90,00,000)	(-)
	Other Current Liabilities	5,53,253	-	-
		(5,87,683)	(-)	(-)

*The company has sold its investment in Out of India Retail Pvt Ltd as on 28th November 2019 and accordingly has been ceased to be associate company.
Figures in brackets are for previous year.

31. Earning in Foreign Exchange:

- i. Receipts on account of sale of merchandise ₹ 52,15,627/- (Previous year ₹ 11,96,11,116/-).
- ii. Receipts on account of sale of investment ₹ NIL /- (Previous year ₹. 49,99,500 /-).

32. The retail industry as a whole has been adversely impacted by the spread of COVID-19. The operations were impacted by the various Covid-19 pandemic related measures taken by the Governments/ Authorities. In particular, the national lockdown has impacted activities across the economic ecosystem. This unprecedented disruption has had an adverse impact on the performance and continues to impact the business and financial results. In this crisis, our priorities are to protect the employees and their families from COVID-19, besides our customers visiting our stores and the society associated with it. The Company has undertaken strategic steps like negotiating rentals for stores, streamlining costs, prioritizing cash conservation, minimization of expenditures (including capital expenditures) and rationalizing store count, and had minimize the lossess. The Company has visibility to adequate resources to sustain the Covid-19 related impact in the interim period and does not foresee any continued impact in the medium to long term to its business operations.

33. Other Notes

- i. Trade Receivables, Trade Payables and Loans & Advances are subject to confirmation & reconciliation,if any.In the opinion of the Board,the current Assets, Loans & Advances are approximately of the value stated,if realised in ordinary course of business. The Provision for depreciation & all known liabilities are adequate & not in excess of amounts reasonably necessary.
- ii. Previous year's figures have been regrouped / re-arranged / reclassified wherever necessary.

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

R. B. GOLECHA
Partner
Membership No:035348

Madhu Chandak
Director

Manjri Chandak
Director

Jyoti Kabra
Director

MUMBAI, 25th August 2021

MUMBAI, 25th August 2021

BOMBAY SWADESHI STORES LIMITED



**CONSOLIDATED
FINANCIAL
STATEMENTS**

-: FY 2020-21 :-

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BOMBAY SWADESHI STORES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of BOMBAY SWADESHI STORES LIMITED ("the holding Company"), BOMBAY STORES RETAIL COMPANY LIMITED its subsidiary (the Company, its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss and Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, the consolidated loss and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information

comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

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

Responsibilities of the Management for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for preparation of consolidated financial statements. Further, in terms of provisions of the Act the respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to

INDEPENDENT AUDITOR'S REPORT (Contd.)

continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

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

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

they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept

INDEPENDENT AUDITOR'S REPORT (Contd.)

- so far as it appears from our examination of those books.
- c) The Consolidated Financial Statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the holding company and its subsidiaries covered under the Act and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) In our opinion and to the best of our information and according to the explanation given to us, the company has not paid or provided managerial remuneration for the year ended March 31, 2021.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long – term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has not been delay in transferring the amounts, required to be transferred to the Investor Education and Protection Fund by the Company as on Balance Sheet Date.

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

R.B. Golecha
Partner
Membership No. **035348**
UDIN : 21035348AAAAGM2862

Place: MUMBAI
Date: 25/08/2021

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INDEPENDENT AUDITOR'S REPORT (Contd.)

Annexure - A to the Auditors' Report

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

In conjunction with our audit of the consolidated financial statements of BOMBAY SWADESHI STORES LTD as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of **BOMBAY SWADESHI STORES LTD** (hereinafter referred to as "Holding Company") and its subsidiary, covered under the act, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 internal financial controls system over financial reporting of the Holding Company and its subsidiary companies, covered under the act.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting Principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according

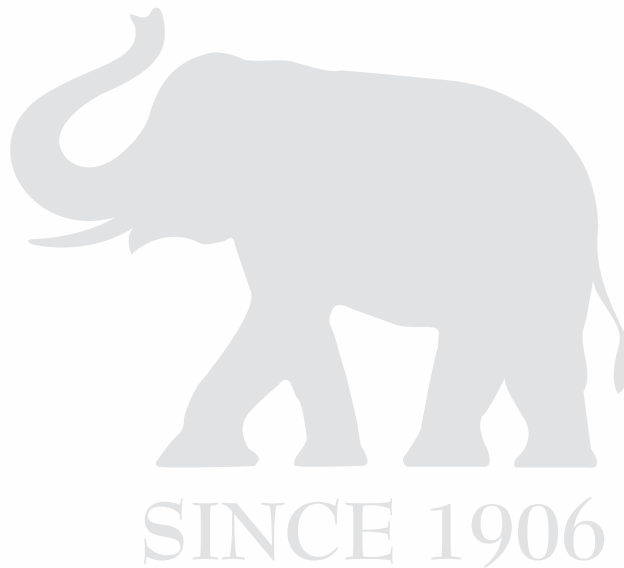
INDEPENDENT AUDITOR'S REPORT (Conld.)

to the explanations given to us, the Company and its subsidiary companies, covered under the act, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: MUMBAI
Date: 25/08/2021

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

R.B. Golecha
Partner
Membership No. **035348**
UDIN : 21035348AAAAGM2862



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2021

	Note	2020-21	2020-21	2019-20
		₹.	₹.	₹.
EQUITY AND LIABILITIES				
SHAREHOLDERS FUNDS :				
Share Capital	2	98,80,000		98,80,000
Reserves & Surplus	3	(11,20,22,999)	(10,21,42,999)	1,46,51,405
				2,45,31,405
NON CURRENT LIABILITIES:				
Long Term Provisions	4	46,07,304	46,07,304	25,85,652
				25,85,652
CURRENT LIABILITIES				
Trade Payables	5			
Outstanding dues of micro and small enterprises		5,02,956		1,38,52,169
Outstanding dues of others		1,81,54,344		2,34,20,613
Short Term Borrowings	6	39,25,00,000		28,35,00,000
Short Term Provisions	7	2,38,50,380		2,48,68,517
Other Current Liabilities	8	1,89,43,914		2,46,83,602
			45,39,51,594	37,03,24,901
Total			35,64,15,899	39,74,41,958
ASSETS				
NON CURRENT ASSETS:				
Property, Plant & Equipments				
Tangible Assets	9		4,08,88,713	5,69,54,817
Intangible Assets			12,51,086	17,26,812
Capital Work in Progress			-	12,65,373
LONG TERM LOANS AND ADVANCES:	10		4,91,64,993	7,32,64,298
DEFERRED TAX ASSETS	30		4,52,79,158	60,30,473
OTHER NON CURRENT ASSETS	11		56,33,008	99,86,091
CURRENT ASSETS:				
Current Investment	12	99,554		99,554
Inventories	13	10,89,96,994		16,16,57,442
Trade Receivables	14	4,50,253		92,706
Cash & Cash Equivalents	15	2,84,51,830		2,74,91,724
Short Term Loans and Advances	16	7,32,41,080		5,56,23,409
Other Current Assets	17	29,59,229		32,49,259
			21,41,98,940	24,82,14,095
Total			35,64,15,899	39,74,41,958
Notes forming part of Financial Statements	1 -34			

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

R. B. GOLECHA
Partner
Membership No:035348

Madhu Chandak
Director

Manjri Chandak
Director

Jyoti Kabra
Director

MUMBAI, 25th August 2021

MUMBAI, 25th August 2021

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2021

	Note	2020-21 ₹.	2019-20 ₹.
INCOME :			
Revenue from Operations	18	17,63,77,970	54,28,17,558
Other Income	19	12,21,801	73,38,971
Total Revenue		17,75,99,771	55,01,56,529
EXPENSES :			
Purchase Of Stock In Trade	20	4,18,68,007	33,22,78,743
Change in Inventories of Stock in Trade	21	5,25,57,689	(7,18,92,818)
Employee Benefit Expenses	22	8,95,73,215	8,33,96,243
Finance Costs	23	18,51,859	69,12,623
Other Expenses	24	13,37,89,366	17,71,86,246
Depreciation & amortisation expenses	9	2,38,82,723	1,71,78,497
Total Expenses		34,35,22,859	54,50,59,533
Profit before Exceptional Items		(16,59,23,088)	50,96,996
Exceptional Items		-	-
Profit/(Loss) before Tax		(16,59,23,088)	50,96,996
Provision for Tax		-	60,59,829
Less: Prior years tax adjustments			(268)
Provision for Deferred Tax		(3,92,48,685)	(17,75,165)
Total Tax Expenses		(3,92,48,685)	42,84,396
Profit/(Loss) for the year		(12,66,74,403)	8,12,599
Basic and diluted earning per share (in ₹.)	29	(25.64)	0.16
Notes forming part of Financial Statements	1 -34		

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

R. B. GOLECHA
Partner
Membership No:035348

MUMBAI, 25th August 2021

Madhu Chandak
Director

Manjri Chandak
Director

Jyoti Kabra
Director

MUMBAI, 25th August 2021

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

	2020-21		2019-20	
	₹.	₹.	₹.	₹.
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax and Exceptional items		(16,59,23,088)	-	50,96,996
Add: Adjustments for :			-	
Depreciation	1,83,54,798		1,48,20,678	
Dividend Received	(8,979)		(17,930)	
Loss on sale/Write Off of Fixed Asset	33,47,037		-	
Interest received	(1,27,297)		(1,17,766)	
(Profit) / Loss on sales of fixed assets (net)	5,68,755		25,319	
Income from sale of Shares	-	2,21,34,314	(49,00,000)	98,10,301
Operating Profit before Working Capital Changes		(14,37,88,774)		1,49,07,297
Adjustments for :				
Increase / (Decrease) in Trade payables	(1,86,15,482)		2,81,47,318	
Increase / (Decrease) in Other Current Liabilities	(57,39,688)		1,30,87,317	
Increase / (Decrease) in Long Term Provisions	20,21,652		8,46,959	
Increase / (Decrease) in Short Term Provisions	(10,18,136)		18,27,837	
(Increase) / Decrease in Inventories	5,26,60,448		(7,55,02,506)	
(Increase) / Decrease in Long Term Loans & Advances	2,40,99,305		(2,90,37,018)	
(Increase) / Decrease in Other Non Current Assets	43,53,083		(79,38,673)	
(Increase) / Decrease in Short Term Loans & Advances	(1,75,90,711)		(1,68,95,800)	
(Increase) / Decrease in Other Current Assets	2,90,030		(23,66,912)	
(Increase) / Decrease in Trade & Other receivables	(3,57,547)	4,01,02,953	12,75,295	(8,65,56,184)
Cash Generated from Operations		(10,36,85,821)		(7,16,48,887)
Direct taxes paid		(27,200)		(1,01,43,727)
Net Cash from Operating Activities	[A]	(10,37,13,021)		(8,17,92,614)
B CASH FLOW FROM INVESTMENT ACTIVITIES				
Sales / (Purchases) of Assets		(45,63,017)		(4,89,93,054)
Sales / (Purchases) of Investments		99,867		49,82,070
Addition in Capital Work in Progress		-		(12,65,373)
Interest received		1,27,297		1,17,766
Dividend received		8,979		17,930
Net Cash from Investing Activities	[B]	(43,26,874)		(4,51,40,661)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

	2020-21		2019-20	
	₹.	₹.	₹.	₹.
C CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from borrowings		10,90,00,000		14,20,00,000
Net Cash Flow from Financial Activities		[C] 10,90,00,000		14,20,00,000
Net Cash increase/(Decrease) in cash and Cash equivalents		(A+B+C) 9,60,106		1,50,66,725
Cash and Cash Equivalents (Opening) :				
Cash on Hand	83,920		8,93,000	
Balance with Banks	2,74,07,804	2,74,91,724	1,15,32,000	1,24,25,000
Cash and Cash Equivalents (Closing) :				
Cash on Hand	2,23,249		83,920	
Balance with Banks	2,82,28,581	2,84,51,830	2,74,07,804	2,74,91,724

Notes :

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

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

Madhu Chandak
Director

R. B. GOLECHA
Partner
Membership No:035348

Manjri Chandak
Director

Jyoti Kabra
Director

MUMBAI, 25th August 2021

MUMBAI, 25th August 2021

AUDITOR'S REPORT ON CASH FLOW STATEMENT

We have examined the attached Consolidated Cash Flow Statement of Bombay Swadeshi Stores Limited for the year ended 31st March, 2021. The statement has been prepared as per AS-3 on Cash Flow Statement issued by Institute of Chartered Accountants of India under the "Indirect Method" and is in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report dated 25th August 2021 to the members of the Company.

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

R. B. GOLECHA
Partner
Membership No:035348

MUMBAI, 25th August 2021

NOTES TO CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 (Contd.)

1 Company Background

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

1.1 Significant Accounting Policies of Consolidated Accounts

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

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

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

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

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

D. Fixed Assets

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

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

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

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

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

NOTES TO CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 (Contd.)

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

E. Investments

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

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

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

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

H. Sales

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

I. Mloyal Royalty Programme

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

J. Gift Voucher

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

K. Employees Benefits

A. (Company Policy)

i. Defined Contribution Plan:

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

ii. Defined Benefit Plan:

The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation by an

NOTES TO CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 (Contd.)

independent actuary at the year end, which is calculated using projected unit credit method. Actuarial gains and losses which comprise experience adjustment and the effect of changes in actuarial assumptions are recognised in the statement of Profit and Loss.

iii. Leave Liability:

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

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

B (Subsidiary Policy)

i. Defined Contribution Plan

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

ii. Defined Benefit Plan

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

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

L. Taxes on Income:

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

M. Earning per share :

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

NOTES TO CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 (Contd.)

N. Provisions, Contingent Liabilities and Contingent Assets :

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

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

R. B. GOLECHA
Partner
Membership No:035348

MUMBAI, 25th August 2021

Madhu Chandak
Director

Manjri Chandak
Director

Jyoti Kabra
Director

MUMBAI, 25th August 2021



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NOTES TO CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 (Contd.)

		2020-21	2019-20
		₹.	₹.
2	SHARE CAPITAL		
2.1	Authorised :		
	15,000,000 (Previous year 15,000,000) Equity shares of ₹ 2/- each	3,00,00,000	3,00,00,000
	200,000 (Previous year 200,000) Preference shares of ₹ 100/- each	2,00,00,000	2,00,00,000
	Total	5,00,00,000	5,00,00,000
2.2	Issued, subscribed and paid-up:		
	4,940,000 (Previous year 4,940,000) Equity shares of ₹ 2/- (Previous year ₹ 2/-) each fully paid-up in cash	98,80,000	98,80,000
	Total	98,80,000	98,80,000

2.3 Reconciliation of Shares outstanding at the beginning and end of the year:

Particulars	2020-21		2019-20	
	No of Shares	Amount	No of Shares	Amount
Equity Shares at the beginning of the year	49,40,000	98,80,000	49,40,000	98,80,000
Add: Issued during the year	-	-	-	-
Equity Shares at the end of the year	49,40,000	98,80,000	49,40,000	98,80,000

2.4 Terms and Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 2 per share. All equity shares rank pari passu and carry equal right with respect to voting and dividend. In case of liquidation of the Company, the equity shareholders shall be entitled to proportionate share of their holding in the assets remained after distribution of all preferential amounts.

2.5 Details of shareholders holding more than 5% of shares as at

Sr. Sr.	Name of Shareholders	2020-21		2019-20	
		No of Shares	% of Paid up capital	No of Shares	% of Paid up capital
1	Mrs. Madhu Abhay Chandak	14,46,818	29.29%	14,46,818	29.29%
2	Mrs. Jyoti Varun Kabra	14,95,186	30.27%	14,95,186	30.27%
3	Mrs. Manjri Aditya Chandak	14,46,852	29.29%	14,46,852	29.29%

		2020-21	2019-20
		₹.	₹.
3	RESERVES AND SURPLUS		
	Capital Reserve		
	Balance as per last Balance Sheet	10,04,364	10,04,365
	Share Premium Account		
	Balance as per last Balance Sheet	8,98,79,206	8,98,79,206

NOTES TO CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 (Contd.)

	2020-21	2019-20
	₹.	₹.
Statement of Profit & Loss		
Balance as per last Balance Sheet	(7,62,32,166)	(7,70,44,766)
Add: Profit/(Loss) for the year	(12,66,74,403)	8,12,599
	(20,29,06,569)	(7,62,32,166)
Balance Carried forward	Total (11,20,22,999)	1,46,51,405
4 LONG TERM PROVISIONS		
Provision for Employee Benefits		
Provision for Gratuity	25,55,114	7,31,693
Provision for Leave Encashment	20,52,190	18,53,959
	Total 46,07,304	25,85,652
5 TRADE PAYABLES		
Outstanding dues of micro and small enterprises (*)	5,02,956	1,38,52,169
Outstanding dues of others	1,81,54,344	2,34,20,613
	Total 1,86,57,300	3,72,72,782
(*) Disclosure in respect of Micro, Small and Medium Enterprises:		
(A) Principal amount remaining unpaid to any supplier as at the year end	5,02,956	1,38,52,169
(B) Interest due thereon.	-	-
(C) Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
(D) Amount of interest due and payable for the period of delay in making payment which have been paid but beyond the appointed day during the year] but without adding the interest specified under the MSMED.	-	-
(E) Amount of interest accrued and remaining unpaid at the end of the accounting year. The above information has been compiled in respect of parties to the extent to which they could be identified as Micro, Small and Medium Enterprises on the basis of information available with the Company.	-	-
6 SHORT TERM BORROWING		
<i>UNSECURED LOANS</i>		
Loan from a Director	39,25,00,000	28,35,00,000
	Total 39,25,00,000	28,35,00,000
7 SHORT TERM PROVISIONS		
Provision for Employee Benefits		
Provision for Gratuity	22,68,653	33,42,156
Provision for Leave Encashment	9,89,320	9,33,953
Other Provisions		
Provision for Tax	2,05,92,407	2,05,92,408
	Total 2,38,50,380	2,48,68,517

NOTES TO CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 (Contd.)

		2020-21	2019-20
		₹.	₹.
8	OTHER CURRENT LIABILITIES		
	Advance from Customers	-	2,08,683
	Interest accrued and due	88,501	1,54,114
	Unclaim Fixed Deposit	89,000	1,94,000
	Payable to Statutory Authorities	37,72,444	46,14,697
	Sundry Creditors for Fixed Assets	2,81,227	1,08,44,858
	Other Payables	1,47,12,742	86,67,249
	Total	1,89,43,914	2,46,83,602

9 Consolidated Property, Plant & Equipment

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01-Apr-20	ADDITIONS	DEDUCTIONS	AS AT 31-Mar-21	AS AT 01-Apr-20	FOR THE YEAR	DEDUCTIONS/ ADJUSTMENT	AS AT 31-Mar-21	AS AT 31-Mar-21	AS AT 31-Mar-20
TANGIBLE ASSETS										
LEASEHOLD BUILDING	25,00,000	-	-	25,00,000	-	-	-	-	25,00,000	25,00,000
FURNITURE & FIXTURES	6,85,59,934	31,16,892	92,82,800	6,23,94,026	3,78,63,369	81,61,872	66,46,773	3,93,78,469	2,30,15,557	3,06,96,565
ELECTRICAL INSTALLATIONS	2,32,89,678	11,86,139	25,22,958	2,19,52,859	1,03,99,930	39,92,556	15,15,158	1,28,77,328	90,75,531	1,28,89,747
COMPUTERS & SOFTWARES	71,13,133	64,500	49,605	71,28,029	41,91,248	17,23,896	47,253	58,67,890	12,60,138	29,21,886
OFFICE & OTHER EQUIPMENTS	1,21,82,404	10,67,109	10,72,795	1,21,76,718	58,71,658	31,00,857	7,08,293	82,64,222	39,12,496	63,10,746
MOTOR CAR	22,98,682	-	-	22,98,682	6,62,808	5,10,883	-	11,73,692	11,24,990	16,35,874
Total	11,59,43,831	54,34,640	1,29,28,157	10,84,50,314	5,89,89,013	1,74,90,063	89,17,476	6,75,61,600	4,08,88,713	5,69,54,817
Previous Year ₹.	6,86,51,889	4,73,62,964	71,022	11,59,43,831	4,51,15,466	1,39,19,251	45,703	5,89,89,014	5,69,54,817	2,35,36,427
INTANGIBLE ASSETS										
SOFTWARE	54,18,508	3,93,750	26,432	57,85,826	36,91,696	8,64,735	21,692	45,34,740	12,51,086	17,26,812
Total	54,18,508	3,93,750	26,432	57,85,826	36,91,696	8,64,735	21,692	45,34,740	12,51,086	17,26,812
Previous Year ₹.	37,88,418	16,30,090	-	54,18,508	27,90,269	9,01,427	-	36,91,696	17,26,812	9,98,148
CAPITAL WORK IN PROGRESS										
Total	-	-	-	-	-	-	-	-	-	12,65,373
Previous Year ₹.	-	12,65,373	-	12,65,373	-	-	-	-	12,65,373	-

NOTES TO CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 (Contd.)

		2020-21	2019-20
		₹.	₹.
10	LONG TERM LOANS & ADVANCES		
	Security Deposit Given	4,91,64,993	7,32,64,298
	Total	4,91,64,993	7,32,64,298
11	OTHER NON CURRENT ASSETS		
	Building Improvement of Leasehold Premises	56,33,008	99,86,091
	Total	56,33,008	99,86,091
12	CURRENT INVESTMENT		
	Current - Trade Unquoted		
	1030.54 (Previous Year 886.72) units of ₹ 100/- each of ICICI Prudential Liquid Plan	99,554	99,554
	Total	99,554	99,554
13	INVENTORIES		
	Stock in Trade - Merchandise		
	At cost or net realisable value whichever is lower	10,89,96,994	16,16,57,442
	Total	10,89,96,994	16,16,57,442
14	TRADE RECEIVABLES		
	(Unsecured, Considered Good)		
	Due for more than six months from the due date of payment	-	-
	Others	4,50,253	92,706
	Total	4,50,253	92,706
15	CASH AND BANK BALANCES		
	Cash And Cash Equivalents		
	Cash on Hand	2,23,249	83,920
	Current Accounts	2,63,49,232	2,56,35,850
	Other balances		
	Deposit with Bank	18,79,349	17,71,954
	Total	2,84,51,830	2,74,91,724
16	SHORT TERM LOANS AND ADVANCES		
	(Unsecured, considered good)		
	Advance to Vendors (Goods & Exps)	96,61,772	52,51,611
	Advance to Vendors (Fixed Assets)	-	23,94,879
	Balance with Government Authorities	2,07,86,188	1,46,00,254
	Advance payment of taxes	2,55,78,513	2,55,48,957
	Security & Other Deposits	1,37,38,452	44,53,518
	Others	34,76,154	33,74,191
	Total	7,32,41,080	5,56,23,409
17	OTHER CURRENT ASSETS		
	Building Improvement of Leasehold Premises	29,59,229	32,49,259
	Total	29,59,229	32,49,259

NOTES TO CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 (Contd.)

		2020-21	2019-20
		₹.	₹.
18	REVENUE FROM OPERATIONS		
	Sales of Merchandise	17,63,77,970	54,28,17,558
	Total	17,63,77,970	54,28,17,558
19	OTHER INCOME		
	Interest	1,27,297	1,17,766
	Income from sale of Shares	-	49,00,000
	Dividend on Current Investments	8,979	17,930
	Miscellaneous receipts	84,154	1,91,848
	Sundry balances written back	10,01,370	21,11,426
	Total	12,21,801	73,38,971
20	PURCHASE OF STOCK IN TRADE		
	Purchases of Merchandise	4,18,68,007	33,22,78,743
	Total	4,18,68,007	33,22,78,743
21	CHANGE IN INVENTORIES OF STOCK IN TRADE		
	Opening Stock	15,80,47,755	8,61,54,937
	Closing Stock	10,54,90,066	15,80,47,755
	(Increase)/Decrease	Total	(7,18,92,818)
		5,25,57,689	
22	EMPLOYEE BENEFIT EXPENSES		
	Salaries, Allowances & Bonus	8,14,33,085	7,27,04,346
	Provision for Gratuity	7,49,918	19,08,327
	Provision for Leave Encashment	6,20,081	15,34,305
	Contribution to Provided Fund & other Funds	64,05,676	59,84,566
	Staff Welfare expenses	3,64,455	12,64,699
	Total	8,95,73,215	8,33,96,243
23	FINANCE COSTS		
	Bank Charges	6,77,995	11,07,751
	Credit Card Charges	10,98,477	52,69,677
	Interest on Late Payment of taxes	75,388	5,35,195
	Total	18,51,859	69,12,623
24	OTHER EXPENSES		
	Lease Rent	7,37,18,178	9,55,89,779
	Repairs & Maintenance - Others	1,65,57,344	1,52,92,940
	Legal & Professional Charges	10,29,012	45,13,036
	Sales & Other Commission	1,05,62,381	1,72,48,031
	House keeping Expenses	56,87,246	52,13,013
	Security services charges	29,06,718	55,84,039

NOTES TO CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 (Contd.)

	2020-21	2019-20
	₹.	₹.
Travelling & Conveyance	5,24,141	47,10,998
Electricity & Fuel	61,58,003	87,91,579
Insurance	3,02,733	98,226
Printing & Stationery	3,33,531	17,11,930
Advertisements & Sales Promotion	6,53,279	24,95,525
Rates & Taxes	18,82,325	30,65,578
Packing Charges	17,54,284	57,26,322
Loss on Discard/Write Off of Asset	33,47,037	-
Forfeit of Security Deposit (PMC Lucknow Store)	10,58,760	-
Loss on Sale of fixed assets	5,68,755	-
Auditors Remuneration:		
Audit Fees	3,00,000	3,00,000
Tax Audit Fees	75,000	75,000
	3,75,000	3,75,000
Miscellaneous Expenses	63,70,641	67,70,250
Total	13,37,89,366	17,71,86,246

25. Details of Subsidiary Company

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

Name of the Subsidiary	Country of Incorporation	Proportion of Ownership/ Voting Interest	Date of Investment
Bombay Store Retail Company Limited [Subsidiary]	India	100%	25/01/2008

26. Contingent Liabilities:

A Tax Litigations

Particulars	31-Mar-21	31-Mar-20
Income Tax Demand**	29,87,170	29,87,170

**Income Tax demand comprise demand from the Indian tax authorities for payment of additional tax of ₹ 29,87,170/- (31st March 2020: ₹ 29,87,170/-), upon completion of their tax review for the financial year 2013-14 and 2014-15. The tax demands are mainly on account of disallowance of purchases from subsidiary. The Company has filed an appeal against the CIT (A) and received the order in favour on 18th July 2019 for both the years. The appeal giving effect of the said order is pending before Assessing Officer. Out of the amount of liability the company has already paid ₹ 17,36,150/- towards liability of FY 2013-14 and ₹ 4,47,489/- towards liability of FY 2014-15 in the financial year 2019-20.

No tax expenses has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the company's financial position and results of operations.

NOTES TO CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 (Contd.)

B Other Litigations

The company has its one of the retail stores in MG Road, Pune. The landlord of the said premises is M/s Aditya Hotels Pvt. Ltd. The said landlord along with M/s. Champaklal Investment & Financial Consultancy Ltd. filed a suit for permanent injunction to restrain them from carrying out any permanent additions/alterations/damaging any portions of the property

The final order dated 27.01.2015 passed in suit thereby restraining the Company i.e. Defendant to from carrying out any alterations. The Said order has been challenged by the Company in the Appeal. Landlord also filed another suit seeking vacant possession (eviction of Tenant) contending that they need the said premises for bonafide use. They also prayed for the Mesne Profit (interim rent benefits). The Court partially allowed the suit and directed the Company to hand over vacant possession to the landlords by order dated 06.01.2015. In view of the said order the Landlords filed execution proceedings seeking possession. Also being aggrieved by the said order the Company has filed an appeal before district court, Pune.

Both the aforesaid Appeals are pending for final hearing and disposal. In view of the Appeals filed by the Company the Execution proceedings are kept in abeyance by the execution court.”

27. Operating Lease

The company operates chain of retail stores. The stores have been taken on lease and the lease period differs for each store. The Lease period is renewable for further period either mutually or at the option of the Company. Lease agreements have price escalation clauses. The rent is not based on any contingencies. There are no restrictions imposed by lease arrangements.

Particulars	31-Mar-21	31-Mar-20
Lease Expenses recognised in the statement of Profit & Loss	7,37,18,178	9,55,89,779

Future minimum rentals payable under non-cancellable operating leases are as follows

Particulars	31-Mar-21	31-Mar-20
Within One year	6,39,02,584	8,68,94,293
After One year but not more than five years	4,03,99,214	10,44,53,878
More than Five years	-	-

28. Segment Reporting

The company operates in only one segment i.e. retail business. This in the context of Accounting Standard 17 of Segment Reporting as specified in the Companies (Accounting Standards) Rules 2006 are considered to constitute one single primary segment. Further, there is no reportable secondary segment i.e. geographical segment.

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

Particulars		31-Mar-21	31-Mar-20
The numerators and denominators used to calculate the basic and diluted EPS are as follows :			
A. Profit/ (Loss) after tax attributable to Shareholders	₹	(12,66,74,403)	8,12,599
B. Basic and weighted average number of Equity shares	Nos.	49,40,000	49,40,000
C. Nominal value of equity share	₹	2	2
D. Basic EPS	₹	(25.64)	0.16
E. Diluted EPS	₹	(25.64)	0.16

NOTES TO CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 (Contd.)

30 Deferred Tax Assets

The breakup of deferred tax assets / liability	Deferred tax asset/ (liability) as at 31-Mar-21 ₹.	Deferred tax asset/ (liability) as at 31-Mar-20 ₹.
A. Deferred Tax Assets		
Expenses allowable for tax purpose when paid	8,47,118	13,01,290
Difference between tax and Book Written Down Value	74,37,935	47,29,183
Unabsorbed Business Losses	3,69,94,105	-
	4,52,79,158	60,30,473
B. Deferred Tax Liability		
Difference between Book Written Down Value and tax	-	-
	-	-
C. Net Deferred Tax Assets	4,52,79,158	60,30,473

The Subsidiary Company has, on prudence not recognised Deferred Tax Assets ₹ 2,36,02,421/- (Previous year ₹ 2,85,23,743/-) mainly representing unabsorbed business loss, short term capital loss and difference between tax and book written down value of fixed assets, due to uncertainty of future profits in terms of Accounting Standard 22 (AS-22) for Taxes on Income issued by The Institute of Chartered Accountants of India.

31. Related Party Disclosures

A. Relationship

I) Key Management Personnel & Relatives:

Mrs.Madhu Chandak-Director
Mrs.Manjri Chandak-Director
Mrs.Jyoti Kabra-Director

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

Avenue Supermarts Limited

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

B. Details of Transactions with Related Parties.

Sr.	Nature of Transactions	Related Party Referred in	
		A (I)	A (II)
i.	Expenditure		
	Rent and Utilities Reimbursement	-	-
		(-)	(3,60,000)
ii.	Loans and Advances		
	Loans Received	10,90,00,000	
		(14,42,00,000)	
	Loans Repaid	-	
		(22,00,000)	

NOTES TO CONSOLIDATED STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 (Conld.)

Sr.	Nature of Transactions	Related Party Referred in	
		A (I)	A (II)
iii.	Outstanding Balance Loans & Advances received	39,25,00,000 (28,35,00,000)	- (-)

Figures in brackets are for previous year.

32. Earning in Foreign Exchange:

- i. Receipts on account of sale of merchandise ₹ 52,15,627/- (Previous year ₹ 11,96,11,116/-).
- ii. Receipts on account of sale of investment ₹ NIL /- (Previous year ₹ 49,99,500 /-).

33. The retail industry as a whole has been adversely impacted by the spread of COVID-19. The operations were impacted by the various Covid-19 pandemic related measures taken by the Governments/ Authorities. In particular, the national lockdown has impacted activities across the economic ecosystem. This unprecedented disruption has had an adverse impact on the performance and continues to impact the business and financial results. In this crisis, our priorities are to protect the employees and their families from COVID-19, besides our customers visiting our stores and the society associated with it. The Company has undertaken strategic steps like negotiating rentals for stores, streamlining costs, prioritizing cash conservation, minimization of expenditures (including capital expenditures) and rationalizing store count, and had minimize the losses. The Company has visibility to adequate resources to sustain the Covid-19 related impact in the interim period and does not foresee any continued impact in the medium to long term to its business operations.

34. Other Notes

- i. Trade Receivables, Trade Payables and Loans & Advances are subject to confirmation & reconciliation, if any. In the opinion of the Board, the current Assets, Loans & Advances are approximately of the value stated, if realised in ordinary course of business. The Provision for depreciation & all known liabilities are adequate & not in excess of amounts reasonably necessary.
- ii. Previous year's figures have been regrouped / re-arranged / reclassified wherever necessary.

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

R. B. GOLECHA
Partner
Membership No:035348

MUMBAI, 25th August 2021

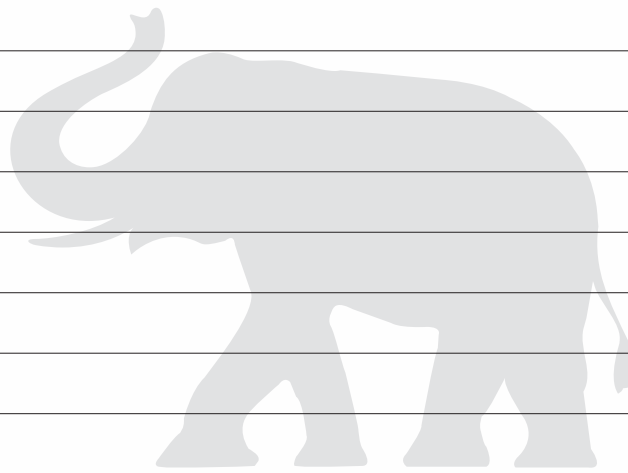
Madhu Chandak
Director

Manjri Chandak
Director

Jyoti Kabra
Director

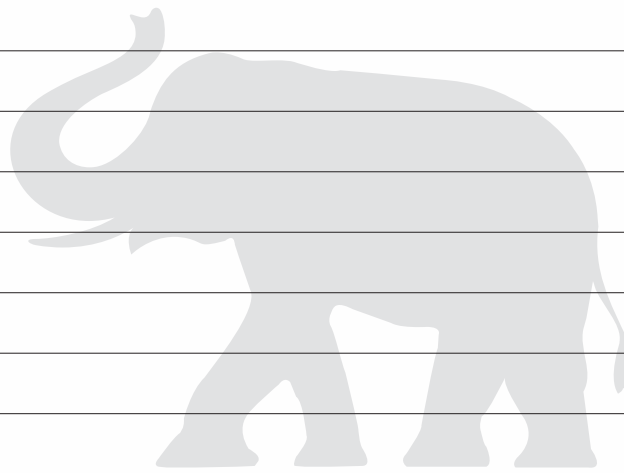
MUMBAI, 25th August 2021

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Regd. Office: Western India House, Sir P.M. Road, Fort, Mumbai-400001

Tel:- +9122 22 885048/49