



# ANNUAL REPORT 2019-2020













# ANNUAL REPORT

2019-2020

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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**Mr. Harish Kumar Gupta**

Chairman &  
Whole-Time Director

**Mr. Pawan Kumar Gupta**

Managing Director

**Mr. Saurav Gupta**

Whole Time Director

**Mr. Gaurav Gupta**

Whole Time Director

**Mr. Sharad Mangal**

Independent Director

**Mr. Gunjan Jain**

Independent Director

**Ms. Kalpana Juneja**

Independent Director

**Mr. Vikas Mathur**

Independent Director

### AUDIT COMMITTEE

Mr. Sharad Mangal, Chairman  
Mr. Gunjan Jain, Member  
Mr. Harish Kumar Gupta, Member

### SHAREHOLDER'S RELATIONSHIP COMMITTEE

Ms. Kalpana Juneja, Chairperson  
Mr. Sharad Mangal, Member  
Mr. Pawan Kumar Gupta, Member

### NOMINATION AND REMUNERATION COMMITTEE

Ms. Kalpana Juneja, Chairperson  
Mr. Sharad Mangal, Member  
Mr. Gunjan Jain, Member

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Gunjan Jain, Chairperson | Mr. Harish Kumar Gupta, Member | Mr. Pawan Kumar Gupta, Member

### CHIEF FINANCIAL OFFICER

Mr. Naresh Manwani

### COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Sonika Gupta

### AUDITORS OF THE COMPANY

Vikas Jain & Associates  
Chartered Accountants  
O-14, 2nd Floor, Amber Tower, S.C. Road, Jaipur-302001

### REGISTRAR & SHARE TRANSFER AGENT

KFin Technologies Pvt. Ltd.  
Karvy Selenium Tower B, Plot 31-32, Gachibowli,  
Financial District Nanakramguda, Hyderabad 500 032

### SECRETARIAL AUDITORS

Shailja Sharma & Associates  
Company Secretaries  
295, Vinoba Vihar, Behind Trimurti Appt., Model  
Town, Malviya Nagar, Jaipur - 302 017

### REGISTERED OFFICE

E-102, 103, EPIP, Sitapura Industrial Area, Jaipur- 302022  
(Rajasthan)

### BANKERS OF THE COMPANY

HDFC Bank Limited

**24th September, 2020 to 30th September, 2020**

**BOOK CLOSURE**

## 24th ANNUAL GENERAL MEETING

Date - 30th September, 2020 | Day - Wednesday | Time - 12:00 P.M.  
Mode - VIDEO CONFERENCING ('VC') / OTHER AUDIO VISUAL MEANS ('OAVM')

## BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL



**Mr. Harish Kumar Gupta**  
Chairman & Whole-Time Director



**Mr. Pawan Kumar Gupta**  
Managing Director



**Mr. Saurav Gupta**  
Whole Time Director



**Mr. Gaurav Gupta**  
Whole Time Director



**Mr. Sharad Mangal**  
Independent Director



**Mr. Gunjan Jain**  
Independent Director



**Ms. Kalpana Juneja**  
Independent Director



**Mr. Vikas Mathur**  
Independent Director



**Mr. Naresh Manwani**  
Chief Financial Officer



**Ms. Sonika Gupta**  
Company Secretary &  
Compliance Officer



## CHAIRMAN MESSAGE

**Dear Shareholders,**

Greetings!

I hope you & your dear ones are keeping safe. 2019-20 was one of the best years for Bell Casa. Even though the last two weeks of the year were washed out due to Covid-19, we managed to clock our highest ever sales. To understand Bella Casa, you have to look beyond the figures. Our company's performance is, above all, the consequence of our long-term vision. A shared passion for achieving and inspire drives all of us at Bella Casa and thrives within each of us.

We scaled new heights in 2019-20. Our revenue exceeded Rs 164 cr, up 15%, while profit from recurring operations touched the Rs 9 cr. This excellent performance, to which all our business lines contributed, was buoyed by momentum in both the markets where we operate. They saw strong growth because of the creativity and quality of our products.

Our brands Bella Casa, Indigo & Nayak continue to perform well and penetrate deeper inside the markets. We continue to rely on creating beautiful designs, follow cost-competitive and sustainable manufacturing practises and focus on emerging trends in fashion & lifestyle business.

We are focused on digitising all processes and leveraging the power of technology to reach consumers in every nook and corner of India for our products and brands. I believe that the use of Artificial intelligence, Machine Learning & Internet of Things will power our journey and help us in expanding quickly and profitably in the years to come.

While I write this letter to you, our country and economy are going through its most formidable challenge ever in the form of COVID-19. I am happy to report that your company has managed to successfully negotiate the headwinds and we are back to the last year's level. With Capex done and our debt at its lowest in the many previous years, I am sure it is well-positioned to capitalise the enormous demand that awaits us once the vaccination process starts in a couple of months.

Yours sincerely  
Harish Kumar Gupta  
Chairman & Whole-Time Director



BELLA CASA FASHION & RETAIL LIMITED  
ANNUAL REPORT 2019-2020



# NOTICE OF THE ANNUAL GENERAL MEETING



NOTICE IS HEREBY GIVEN THAT THE 24TH ANNUAL GENERAL MEETING OF MEMBERS OF BELLA CASA FASHION & RETAIL LIMITED WILL BE HELD ON, WEDNESDAY, 30TH SEPTEMBER, 2020 AT 12:00 P.M. **THROUGH VIDEO CONFERENCING ('VC') / OTHER AUDIO VISUAL MEANS ('OAVM') FACILITY**, TO TRANSACT THE FOLLOWING BUSINESS:

## ORDINARY BUSINESS

### ITEM NO. 1

To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March, 2020 including Audited Balance Sheet as at 31st March, 2020 and the Statement of Profit and Loss for the year ended on that date and the Reports of Board of Directors and Auditors thereon.

### ITEM NO. 2

To appoint a director in place of Mr. Gaurav Gupta (DIN:-07106587) liable to retire by rotation in terms of section 152 (6) of the Companies Act, 2013 and being eligible offers, himself for reappointment.

## SPECIAL BUSINESS

### ITEM NO. 3

#### **Re-appointment of Mr. Harish Kumar Gupta as the Chairman & Whole-Time Director of the Company for a period of five (5) years.**

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, as amended from time to time and its rules made thereunder read with Schedule V of the Companies Act 2013, (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Harish Kumar Gupta (DIN: 01323944) be and is hereby re-appointed as the Chairman & Whole-Time Director of the Company for a period of five (5) years with effect from 31st July 2020 to 30th July, 2025 liable to retire by rotation on the terms and conditions of appointment and remuneration as contained in the agreement, material terms of which are set out hereunder and here by approved by members of the Company on recommendation and approval by the Nomination & Remuneration Committee and Board of Directors of the Company.

RESOLVED FURTHER THAT pursuant to Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI[LODR]"), consent of the board of directors of the Company, subject to the approval of members of the Company be and is hereby accorded for continuance of payment of remuneration to Executive Director of the Company Mr. Harish Kumar Gupta (DIN: 01323944) Chairman & Whole-Time Director, who is also Promoter of the Company, notwithstanding that maybe in excess of 5 per cent of the net profits of the Company as calculated under section 198 of the Act, in any financial year during her tenure of appointment."

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, Mr. Harish Kumar Gupta as the Chairman & Whole-Time Director may be paid remuneration by way of salary, perquisites and other allowances not exceeding the prescribed ceiling limit under Section II of Part II of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for obtaining necessary approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of its powers herein conferred to any Director, Company Secretary or any other officer(s) of the Company".

### ITEM NO. 4

#### **Re-appointment of Mr. Pawan Kumar Gupta as the Managing Director of the Company for a period of five (5) years.**

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, as amended from time to time and its rules made thereunder read with Schedule V of the Companies Act 2013, (including any



statutory modification(s) or reenactment thereof for the time being in force) and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Pawan Kumar Gupta (DIN: 01543446) be and is hereby re-appointed as the Managing Director of the Company for a period of five (5) years with effect from 31st July 2020 to 30th July, 2025 on the terms and conditions of appointment and remuneration as contained in the agreement, material terms of which are set out hereunder and here by approved by members of the Company on recommendation and approval by the Nomination & Remuneration Committee and Board of Directors of the Company.

RESOLVED FURTHER THAT pursuant to Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI[LODR]"), consent of the board of directors of the Company, subject to the approval of members of the Company be and is hereby accorded for continuance of payment of remuneration to Executive Director of the Company Mr. Pawan Kumar Gupta, Managing Director (DIN: 01543446), who is also Promoter of the Company, notwithstanding that maybe in excess of 5 per cent of the net profits of the Company as calculated under section 198 of the Act, in any financial year during his tenure of appointment."

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, Mr. Pawan Kumar Gupta, Managing Director may be paid remuneration by way of salary, perquisites and other allowances not exceeding the prescribed ceiling limit under Section II of Part II of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for obtaining necessary approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of its powers herein conferred to any Director, Company Secretary or any other officer(s) of the Company".

#### ITEM NO. 5

##### **Re-appointment of Mr. Saurav Gupta as the Whole-Time Director of the Company for a period of five (5) years.**

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

RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, as amended from time to time and its rules made thereunder read with Schedule V of the Companies Act 2013, (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Saurav Gupta (DIN: 07106619) be and is hereby re-appointed as the Whole-Time Director of the Company for a period of five (5) years with effect from 31st July 2020 to 30th July, 2025 liable to retire by rotation on the terms and conditions of appointment and remuneration as contained in the agreement, material terms of which are set out hereunder and here by approved by members of the Company on recommendation and approval by the Nomination & Remuneration Committee and Board of Directors of the Company.

RESOLVED FURTHER THAT pursuant to Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI[LODR]"), consent of the board of directors of the Company, subject to the approval of members of the Company be and is hereby accorded for continuance of payment of remuneration to Executive Director of the Company Mr. Saurav Gupta (DIN: 07106619), Whole-Time Director who is also Promoter of the Company, notwithstanding that maybe in excess of 5 per cent of the net profits of the Company as calculated under section 198 of the Act, in any financial year during her tenure of appointment."

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, Mr. Saurav Gupta as the Whole-Time Director may be paid remuneration by way of salary, perquisites and other allowances not exceeding the prescribed ceiling limit under Section II of Part II of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for obtaining necessary approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of its powers herein conferred to any Director, Company Secretary or any other officer(s) of the Company".



**ITEM NO. 6****Re-appointment of Mr. Gaurav Gupta as the Whole-Time Director of the Company for a period of five (5) years.**

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013, as amended from time to time and its rules made thereunder read with Schedule V of the Companies Act 2013, (including any statutory modification(s) or reenactment thereof for the time being in force) and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Gaurav Gupta (DIN: 07106587) be and is hereby re-appointed as the Whole-Time Director of the Company for a period of five (5) years with effect from 31st July 2020 to 30th July, 2025, liable to retire by rotation on the terms and conditions of appointment and remuneration as contained in the agreement, material terms of which are set out hereunder and here by approved by members of the Company on recommendation and approval by the Nomination & Remuneration Committee and Board of Directors of the Company.

RESOLVED FURTHER THAT pursuant to Regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI[LODR]"), consent of the board of directors of the Company, subject to the approval of members of the Company be and is hereby accorded for continuance of payment of remuneration to Executive Director of the Company Mr. Gaurav Gupta (DIN: 07106587), Whole-Time Director, who are also Promoters of the Company, notwithstanding that maybe in excess of 5 per cent of the net profits of the Company as calculated under section 198 of the Act, in any financial year during her tenure of appointment."

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, Mr. Gaurav Gupta as the Whole-Time Director may be paid remuneration by way of salary, perquisites and other allowances not exceeding the prescribed ceiling limit under Section II of Part II of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for obtaining necessary approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of its powers herein conferred to any Director, Company Secretary or any other officer(s) of the Company".

**ITEM NO. 7****Re-appointment of Mr. Sharad Mangal as an Independent Director of the Company for a period of five (5) years.**

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

"RESOLVED THAT pursuant to the provisions of Section 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 as amended from time to time and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modifications(s) or re-enactment thereof for the time being in force), the relevant provisions of SEBI (LODR) Regulations, 2015, Mr. Sharad Mangal (DIN 01127317), whose present term as an Independent Director ends at the 14th July 2020, who has given his consent for the re-appointment and has submitted a declaration that he meets the criteria for independence under Section 149 of the Act and the applicable regulation of SEBI (LODR) Regulations, 2015 and also declared that he has not been debarred from holding the office of director or continuing as a director of company by SEBI/ MCA or any other authority in India or abroad and is eligible for re-appointment and whose re-appointment has been recommended and approved by the Nomination and Remuneration Committee and Board of Directors of the Company consent of the members of the Company be and is hereby accorded to re-appoint/continue the Directorship of Mr. Sharad Mangal (DIN: 01127317), who is being re-appointed as an Independent Director of the Company, for a second term of five consecutive years to hold the office from 15th July 2020 to 14th July 2025.

RESOLVED FURTHER THAT the Board of Directors, the Chief Financial Officer or the Company Secretary be and are hereby severally authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution."

**ITEM NO. 8****Re-appointment of Mr. Gunjan Jain as an Independent Director of the Company for a period of five (5) years.**

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

"RESOLVED THAT pursuant to the provisions of Section 149,152 read with Schedule IV and all other applicable provisions of the



Companies Act, 2013 as amended from time to time and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modifications(s) or re-enactment thereof for the time being in force), the relevant provisions of SEBI (LODR) Regulations, 2015, Mr. Gunjan Jain (DIN 07223400), whose present term as an Independent Director ends at the 14th July 2020, who has given his consent for the re-appointment and has submitted a declaration that he meets the criteria for independence under Section 149 of the Act and the applicable regulation of SEBI (LODR) Regulations, 2015 and also declared that he has not been debarred from holding the office of director or continuing as a director of company by SEBI/ MCA or any other authority in India or abroad and is eligible for re-appointment and whose re-appointment has been recommended and approved by the Nomination and Remuneration Committee and Board of Directors of the Company consent of the members of the Company be and is hereby accorded to re-appoint/continue the Directorship of Mr. Gunjan Jain (DIN 07223400), who is being re-appointed as an Independent Director of the Company, for a second term of five consecutive years to hold the office from 15th July 2020 to 14th July 2025.

RESOLVED FURTHER THAT the Board of Directors, the Chief Financial Officer or the Company Secretary be and are hereby severally authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution."

#### ITEM NO. 9

##### **Re-appointment of Ms. Kalpana Juneja as an Independent Director of the Company for a period of five (5) years.**

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

"RESOLVED THAT pursuant to the provisions of Section 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 as amended from time to time and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modifications(s) or re-enactment thereof for the time being in force), the relevant provisions of SEBI (LODR) Regulations, 2015, Ms. Kalpana Juneja (DIN 07226135), whose present term as an Independent Director ends at the 14th July 2020, who has given his consent for the re-appointment and has submitted a declaration that he meets the criteria for independence under Section 149 of the Act and the applicable regulation of SEBI (LODR) Regulations, 2015 and also declared that he has not been debarred from holding the office of director or continuing as a director of company by SEBI/ MCA or any other authority in India or abroad and is eligible for re-appointment and whose re-appointment has been recommended and approved by the Nomination and Remuneration Committee and Board of Directors of the Company consent of the members of the Company be and is hereby accorded to re-appoint/continue the Directorship of Ms. Kalpana Juneja (DIN 07226135), who is being re-appointed as an Independent Director of the Company, for a second term of five consecutive years to hold the office from 15th July 2020 to 14th July 2025.

RESOLVED FURTHER THAT the Board of Directors, the Chief Financial Officer or the Company Secretary be and are hereby severally authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution."

#### ITEM NO.10

##### **Re-appointment of Mr. Vikas Mathur as an Independent Director of the Company for a period of five (5) years.**

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

"RESOLVED THAT pursuant to the provisions of Section 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 as amended from time to time and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modifications(s) or re-enactment thereof for the time being in force), the relevant provisions of SEBI (LODR) Regulations, 2015, Mr. Vikas Mathur (DIN 07252879), whose present term as an Independent Director ends at the 30th July 2020, who has given his consent for the re-appointment and has submitted a declaration that he meets the criteria for independence under Section 149 of the Act and the applicable regulation of SEBI (LODR) Regulations, 2015 and also declared that he has not been debarred from holding the office of director or continuing as a director of company by SEBI/ MCA or any other authority in India or abroad and is eligible for re-appointment and whose re-appointment has been recommended and approved by the Nomination and Remuneration Committee and Board of Directors of the Company consent of the members of the Company be and is hereby accorded to re-appoint/continue the Directorship of Mr. Vikas Mathur (DIN 07252879), who is being re-appointed as an Independent Director of the Company, for a second term of five consecutive years to hold the office from 31st July, 2020 to 30th July, 2025.

RESOLVED FURTHER THAT the Board of Directors, the Chief Financial Officer or the Company Secretary be and are hereby severally

authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution."

**ITEM NO. 11****Inspection of the documents**

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

RESOLVED THAT pursuant to provisions of Section 20 of the Companies Act, 2013 and other applicable provisions, if any, of the said Act and relevant rules prescribed there under, whereby a document may be served on any member by the company by sending it to him/her by post or by registered post or by speed post or by courier or by delivering to his office or address, or by such electronic or other mode as may be prescribed, the consent of the company be and is hereby accorded to charge from the member the fee in advance equivalent to the estimated actual expenses of delivery of the documents, pursuant to any request made by the shareholder for delivery of such document to him/her, through a particular mode of services mentioned above provided such request along with requisite fee has been duly received by the company at least one week in advance of the dispatch of document by the company and that no such request shall be entertained by the company post the dispatch of such document by the company to the shareholder.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Board of Directors or Key Managerial Personnel of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution."

For and on the behalf of the  
BELLA CASA FASHION & RETAIL LIMITED

Sd/-  
Sonika Gupta  
Company secretary & Compliance Officer  
Place: Jaipur  
Date: 05.09.2020



## NOTES

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its circular dated 5 May 2020 read with circulars dated 8 April 2020 and 13 April 2020 (collectively referred to as 'MCA Circulars') and SEBI circular dated 12 May 2020 permitted the holding of the Annual General Meeting ('AGM') through VC/OAVM facility, without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the 'Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and MCA Circulars the twenty fourth AGM of the Company will be held through VC / OAVM.  
**The facility for appointment of proxies will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.**
2. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company located at, E-102, 103, EPIP, Sitapura Industrial Area, Jaipur-302022 (Rajasthan) which shall be the deemed venue of AGM.
3. The Explanatory Statement setting out material facts, pursuant to section 102 of the Companies Act, 2013, Secretarial Standard-2 on General Meeting and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the special businesses under item no. 3 to 11 of the accompanying Notice is annexed hereto.
4. Mr. Indrajeet Sharma, has been appointed as the Scrutinizer to scrutinize the remote e-voting/e-voting process in a fair and transparent manner. The Scrutinizer will submit the report to the Chairman or any person authorised by him after completion of the scrutiny and the results of voting will be announced after the AGM of the Company. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM
5. In compliance with the Circulars, copies of Annual Report for Financial Year 2019-20, the Notice of the AGM and instructions for remote e-voting/ e-voting are being sent in electronic mode to those Shareholders whose email addresses are registered with Registrar/ Depository Participant(s). The copy of Annual Report along with the Notice is also available on Company's website at [www.bseindia.com](http://www.bseindia.com) and on website of the Stock Exchange at [www.bseindia.com](http://www.bseindia.com)
6. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. Members whose email addresses / Bank details are not registered/updated are requested to register/ update by contacting their respective Depository Participant(s).
8. The Register of the Members and Share Transfer Books of the Company will remain closed from Thursday, 24th September, 2020 to Wednesday, 30th September, 2020 (both days inclusive). The book closure dates have been fixed in consultation with the Stock Exchange.
9. The Company's Statutory Auditors, M/s Vikas Jain & Associates, Chartered Accountants, registered with the Institute of Chartered Accountants of India vide Firm registration number 006803C, were appointed as Statutory Auditors of the Company for a period of five consecutive years at the Annual General Meeting of the Members held on September 28, 2019 on a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditors. Pursuant to the Companies (Amendment) Act, 2017 effective from May 07, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from the Statute. In view of the foregoing amendment, ratification by the Members for continuance of their appointment is not being sought at this AGM.
10. The cut-off date for the purpose of remote e-voting and voting at the AGM shall be Wednesday, 23rd September, 2020.
11. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the e-AGM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Company.

12. In case of Joint holders, attending the Meeting, only such joint holders, who are higher in the order of names, will be entitled to vote at the meeting.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts.
14. As per Regulations of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 the Company has designated email ID of the grievance redressal division/compliance officer exclusively for the purpose of registering complaints by investors. Investors are requested to send their communication on the designated email id [cs@bellacasa.in](mailto:cs@bellacasa.in)
15. The Company has uploaded the details of the unpaid/unclaimed amounts lying with the Company on the website of the Company ([www.bellacasa.in](http://www.bellacasa.in)). Those Members who have not so far claimed their dividend are advised to claim it from the Company.
16. In terms of section 101 and 136 of the Act, read together with the Rules made thereunder, the listed companies may send the notice of annual general meeting and the annual report, including Financial Statements, Board Report etc. by electronic mode. Pursuant to the said provisions of the Act read with MCA Circulars, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website at [www.bellacasa.in](http://www.bellacasa.in) and at website of the Stock Exchanges i.e. BSE Ltd. at [www.bseindia.com](http://www.bseindia.com)
17. To receive shareholders' communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their e-mail address with the Company and their respective depository participant, where shares are held in electronic form.
18. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts; will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants.
19. Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Act, Register of Contracts or arrangements in which directors are interested maintained under Section 189 of the Act and documents referred in the notice, shall be available for inspection through electronic mode. Members may write to the Company on [cs@bellacasa.in](mailto:cs@bellacasa.in) for inspection of said documents and the same will also be available for inspection by the members during the AGM, upon login at CDSL e-voting system at <https://www.evotingindia.com/>
20. As required under Listing Regulations and Secretarial Standards-2 on General Meetings details in respect of directors seeking re-appointment at the AGM, is separately annexed. Directors seeking re-appointment have furnished requisite declarations under section 164(2) and other applicable provisions of the Companies Act, 2013 including rules framed thereunder.
21. A Member desirous of getting any information on the accounts or operations of the Company is requested to forward his request to the Company at least 7 days prior to the Meeting so that the required information can be made available at the Meeting.
22. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
23. In terms of Section 152 of the Companies Act, 2013, Mr. Gaurav Gupta (DIN: 07106587), Whole-Time Director, retire by rotation at the Meeting and being eligible, offer himself for re-appointment. The Board of Directors of the Company recommends his respective reappointment.



24. Brief resume of Directors proposed to be re-appointed, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors interest as stipulated, are provided as annexure to the notice.

#### 25. Instructions for attending the AGM through VC/OAVM :

- (i) As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
- (ii) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
- (iii) The Members can join the EGM/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 EGM/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 EGM/AGM without restriction on account of first come first served basis.
- (iv) The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- (v) Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
- (vi) In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at [www.bellacasa.in](http://www.bellacasa.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
- (vii) The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

#### 26. VOTING THROUGH ELECTRONIC MEANS

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, applicable Secretarial Standards and the Listing Regulations a member of the Company holding shares in dematerialized form, may exercise his/her right to vote by electronic means (e-voting) in respect of the resolution(s) contained in this notice.

The Company is providing e-voting facility to its members to enable them to cast their votes electronically. The Company has engaged the services of KFin Technologies Private Limited ("Karvy") as the Authorized Agency to provide remote e-voting facility (i.e. the facility of casting votes by a member by using an electronic voting system from a place other than the venue of a general meeting).

Those Members, who are present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting, shall be eligible to vote through e-voting system during the AGM.

The Board of Directors has appointed Indrajeet Sharma as the Scrutinizer, for conducting the voting/ poll and remote e-voting

process in a fair and transparent manner.

The instructions to members for voting electronically are as under:

- (i) The voting period (including e-voting) begins on Sunday, September 27, 2020 at 09:00 a.m. and ends on Tuesday, September 29, 2020 at 05:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Wednesday, September 23, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on "Shareholders/Members" tab.
- (v) 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.
  - d) **OR**
  - e) Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below

<b>For Members holding shares in Demat Form and Physical Form</b>	
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"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	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"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.



- (xii) Click on the EVSN for the relevant <Bella Casa Fashion & Retail Limited> on which you choose to vote.
- (xiii) 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
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to **Company/RTA email id**.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER :**

1. Shareholder will be provided with a facility to attend the EGM/AGM through VC/OAVM through the 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. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
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 recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may

send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

#### **INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM/EGM ARE AS UNDER :**

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.

#### **(xx)Note for Non - Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://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](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [cs@bellacasa.in](mailto:cs@bellacasa.in) (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022- 23058738 ) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, 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](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

- (xxi)The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.bellacasa.in](http://www.bellacasa.in) and on website of CDSL e-Voting [www.evotingindia.com](http://www.evotingindia.com) within two days of the passing of the Resolutions at the Annual General Meeting of the Company and will also be communicated to BSE Limited, where the shares of the Company are listed.

## EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE ACT AND REGULATION 36 OF THE SEBI LISTING REGULATIONS

### ITEM No.3

At the AGM held on 31st July, 2015, Mr Harish Kumar Gupta (DIN:01323944) Chairman & Whole-Time Director was appointed for a period of 5 years with effect from 31st July, 2015 to 30th July, 2020. Thereafter, the members at its 21st AGM of the Company held on 12th August, 2017 approved the revision in his remuneration payable to them was revised w.e.f. 1st April, 2017 to the remainder of his term i.e. up to 31st July, 2020.

After that, the Members at its 22nd AGM of the Company held on 31st August, 2018 approved the revision in his remuneration whereby the maximum remuneration payable to them was revised w.e.f. 1st April, 2018 to the remainder of his term i.e. upto 31st July, 2020.

As the current term expired on 31st July, 2020, the Board of Directors at its Meeting held on 25th June, 2020, has re-appointed Mr. Harish Kumar Gupta (DIN:01323944) Chairman & Whole-Time Director pursuant to provisions of Sections 196, 197, 198 and 203, read with Schedule V of the Act and Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable provisions of the Act, if any, for a further period of five years with effect from 31st July 2020 up to 30th July, 2025 on his existing terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee and as set out in the Agreement to be entered into between them and the Company.

Further the Nomination and Remuneration Committee has also recommended continuance of payment of annual remuneration exceeding the limit of 5% of net profits of the Company where there are more than one such Executive Directors till the expiry of their respective terms of such Executive Directors as required under Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 but however that such remuneration will be as per applicable provisions of the Companies Act, 2013 including Schedule V under the Companies Act, 2013 and the Rules made thereunder. The remuneration to be paid/payable to Mr Harish Kumar Gupta (DIN:01323944) Chairman & Whole-Time Director, as stated in the Explanatory Statement together with remuneration paid / payable to other Executive Directors will exceed the limit of 5% of net profits of the Company during their tenure as per Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 but such remuneration will be within the limits specified under the Companies Act, 2013 and the rules thereunder. Mr. Harish Kumar Gupta, Chairman & Whole-Time Director, is the member of promoter group.

Considering the valuable contribution, commitment, guidance and services being rendered by Mr. Harish Kumar Gupta for the sustained growth of the Company, it is proposed to seek members' approval for the re-appointment and continuance of payment of remuneration of Mr. Harish Kumar Gupta, Chairman & Whole-Time Director of the Company.

Mr Harish Kumar Gupta (DIN: 01323944) Chairman & Whole-Time Director satisfies all the other conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Companies Act, 2013 for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act 2013 and has given his consent to act as a Chairman & Whole-Time Director and he has not been debarred from holding the office of director or continuing as a director of company by SEBI/MCA or any other authority in India or abroad. Other disclosures to be provided in terms of Sections 196 to 198 read with Schedule V and applicable Rules under the Companies Act and SEBI Regulations, as the case may be are provided in Annexure -I to the Notice.

Details of Mr. Harish Kumar Gupta have been provided in the "Annexure-II" to the Notice pursuant to the provisions of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India. This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

Mr. Harish Kumar Gupta, Mr. Pawan Kumar Gupta, Mr. Saurav Gupta and Mr. Gaurav Gupta are interested in the resolution. The relatives of Mr. Harish Kumar Gupta may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Director/Key Managerial Personnel of the Company/their relatives are, interested, financially or otherwise, in the resolution.



The Board recommends the Special Resolution set out at Item No. 3 of the Notice for approval by the members.

**ITEM No.4**

At the AGM held on 31st July, 2015, Mr. Pawan Kumar Gupta (DIN:01543446) Managing Director was appointed for a period of 5 years with effect from 31st July, 2015 to 30th July, 2020. Thereafter, the members at its 21st AGM of the Company held on 12th August, 2017 approved the revision in his remuneration payable to them was revised w.e.f. 1st April, 2017 to the remainder of his term i.e. upto 31st July, 2020.

After that, the Members at its 22nd AGM of the Company held on 31st August, 2018 approved the revision in his remuneration whereby the maximum remuneration payable to them was revised w.e.f. 1st April, 2018 to the remainder of his term i.e. upto 31st July, 2020.

As the current term expired on 31st July, 2020, the Board of Directors at its Meeting held on 25th June, 2020, has re-appointed Mr. Pawan Kumar Gupta (DIN:01543446) Managing Director pursuant to provisions of Sections 196, 197, 198 and 203, read with Schedule V of the Act and Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable provisions of the Act, if any, for a further period of five years with effect from 31st July 2020 upto 30th July, 2025 on his existing terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee and as set out in the Agreement to be entered into between them and the Company.

Further the Nomination and Remuneration Committee has also recommended continuance of payment of annual remuneration exceeding the limit of 5% of net profits of the Company where there are more than one such Executive Directors till the expiry of their respective terms of such Executive Directors as required under Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 but however that such remuneration will be as per applicable provisions of the Companies Act, 2013 including Schedule V under the Companies Act, 2013 and the Rules made thereunder.

The remuneration to be paid/payable to Mr. Pawan Kumar Gupta (DIN:01543446) Managing Director, as stated in the Explanatory Statement together with remuneration paid / payable to other Executive Directors will exceed the limit of 5% of net profits of the Company during their tenure as per Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 but such remuneration will be within the limits specified under the Companies Act, 2013 and the rules thereunder.

Mr. Pawan Kumar Gupta (DIN: 01543446) Managing Director, is the member of promoter group. Considering the valuable contribution, commitment, guidance and services being rendered by Mr. Pawan Kumar Gupta for the sustained growth of the Company, it is proposed to seek members' approval for the re-appointment and continuance of payment of remuneration of Mr. Pawan Kumar Gupta, Managing Director of the Company.

Mr. Pawan Kumar Gupta (DIN:01543446) Managing Director satisfies all the other conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Companies Act, 2013 for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act 2013 and has given his consent to act as a Managing Director and he has not been debarred from holding the office of director or continuing as a director of company by SEBI/MCA or any other authority in India or abroad. Other disclosures to be provided in terms of Sections 196 to 198 read with Schedule V and applicable Rules under the Companies Act and SEBI Regulations, as the case may be are provided in Annexure -I to the Notice.

Details of Mr. Pawan Kumar Gupta have been provided in the "Annexure-II" to the Notice pursuant to the provisions of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India. This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36 of the Listing Regulations. Mr. Harish Kumar Gupta, Mr. Pawan Kumar Gupta, Mr. Saurav Gupta and Mr. Gaurav Gupta are interested in the resolution. The relatives of Mr. Pawan Kumar Gupta may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Director/Key Managerial Personnel of the Company/their relatives are, interested, financially or otherwise, in the resolution.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the members.

#### ITEM No.5

At the AGM held on 31st July, 2015, Mr. Saurav Gupta (DIN:07106619) Whole-Time Director was appointed for a period of 5 years with effect from 31st July, 2015 to 30th July, 2020. Thereafter, the members at its 21st AGM of the Company held on 12th August, 2017 approved the revision in his remuneration payable to them was revised w.e.f. 1st April, 2017 to the remainder of his term i.e. upto 31st July, 2020.

After that, the Members at its 22nd AGM of the Company held on 31st August, 2018 approved the revision in his remuneration whereby the maximum remuneration payable to them was revised w.e.f. 1st April, 2018 to the remainder of his term i.e. upto 31st July, 2020.

As the current term expired on 31st July, 2020, the Board of Directors at its Meeting held on 25th June, 2020, has re-appointed Mr. Saurav Gupta (DIN:07106619) Whole-Time Director pursuant to provisions of Sections 196, 197, 198 and 203, read with Schedule V of the Act and Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable provisions of the Act, if any, for a further period of five years with effect from 31st July 2020 upto 30th July, 2025 on his existing terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee and as set out in the Agreement to be entered into between them and the Company.

Further the Nomination and Remuneration Committee has also recommended continuance of payment of annual remuneration exceeding the limit of 5% of net profits of the Company where there are more than one such Executive Directors till the expiry of their respective terms of such Executive Directors as required under Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 but however that such remuneration will be as per applicable provisions of the Companies Act, 2013 including Schedule V under the Companies Act, 2013 and the Rules made thereunder.

The remuneration to be paid/payable to Mr. Saurav Gupta (DIN:07106619) Whole-Time Director, as stated in the Explanatory Statement together with remuneration paid / payable to other Executive Directors will exceed the limit of 5% of net profits of the Company during their tenure as per Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 but such remuneration will be within the limits specified under the Companies Act, 2013 and the rules thereunder.

Mr. Saurav Gupta (DIN: 07106619) Whole-Time Director, is the member of promoter group. Considering the valuable contribution, commitment, guidance and services being rendered by Mr. Saurav Gupta for the sustained growth of the Company, it is proposed to seek members' approval for the re-appointment and continuance of payment of remuneration of Mr. Saurav Gupta, Whole-Time Director of the Company.

Mr. Saurav Gupta (DIN:07106619) Whole-Time Director satisfies all the other conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Companies Act, 2013 for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act 2013 and has given his consent to act as a Whole-Time Director and he has not been debarred from holding the office of director or continuing as a director of company by SEBI/MCA or any other authority in India or abroad. Other disclosures to be provided in terms of Sections 196 to 198 read with Schedule V and applicable Rules under the Companies Act and SEBI Regulations, as the case may be are provided in Annexure -I to the Notice.

Details of Mr. Saurav Gupta have been provided in the "Annexure-II" to the Notice pursuant to the provisions of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India. This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36 of the Listing Regulations. Mr. Harish Kumar Gupta, Mr. Pawan Kumar Gupta, Mr. Saurav Gupta and Mr. Gaurav Gupta are interested in the resolution. The relatives of Mr. Saurav Gupta may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Director/Key Managerial Personnel of the Company/their relatives are, interested, financially or otherwise, in the resolution.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the members.

#### ITEM No.6

At the AGM held on 31st July, 2015, Mr. Gaurav Gupta (DIN:07106587) Whole-Time Director was appointed for a period of 5 years with effect from 31st July, 2015 to 30th July, 2020. Thereafter, the members at its 21st AGM of the Company held on 12th August, 2017 approved the revision in his remuneration payable to them was revised w.e.f. 1st April, 2017 to the remainder of his term i.e. upto 31st July, 2020.

After that, the Members at its 22nd AGM of the Company held on 31st August, 2018 approved the revision in his remuneration whereby the maximum remuneration payable to them was revised w.e.f. 1st April, 2018 to the remainder of his term i.e. upto 31st July, 2020.

As the current term expired on 31st July, 2020, the Board of Directors at its Meeting held on 25th June, 2020, has re-appointed Mr. Gaurav Gupta (DIN:07106587) Whole-Time Director pursuant to provisions of Sections 196, 197, 198 and 203, read with Schedule V of the Act and Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable provisions of the Act, if any, for a further period of five years with effect from 31st July 2020 upto 30th July, 2025 on his existing terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee and as set out in the Agreement to be entered into between them and the Company.

Further the Nomination and Remuneration Committee has also recommended continuance of payment of annual remuneration exceeding the limit of 5% of net profits of the Company where there are more than one such Executive Directors till the expiry of their respective terms of such Executive Directors as required under Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 but however that such remuneration will be as per applicable provisions of the Companies Act, 2013 including Schedule V under the Companies Act, 2013 and the Rules made thereunder.

The remuneration to be paid/payable to Mr. Gaurav Gupta (DIN:07106587) Whole-Time Director, as stated in the Explanatory Statement together with remuneration paid / payable to other Executive Directors will exceed the limit of 5% of net profits of the Company during their tenure as per Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 but such remuneration will be within the limits specified under the Companies Act, 2013 and the rules thereunder.

Mr. Gaurav Gupta (DIN: 07106587) Whole-Time Director, is the member of promoter group. Considering the valuable contribution, commitment, guidance and services being rendered by Mr. Gaurav Gupta for the sustained growth of the Company, it is proposed to seek members' approval for the re-appointment and continuance of payment of remuneration of Mr. Gaurav Gupta, Whole-Time Director of the Company.

Mr. Gaurav Gupta (DIN:07106587) Whole-Time Director satisfies all the other conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Companies Act, 2013 for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act 2013 and has given his consent to act as a Whole-Time Director and he has not been debarred from holding the office of director or continuing as a director of company by SEBI/MCA or any other authority in India or abroad. Other disclosures to be provided in terms of Sections 196 to 198 read with Schedule V and applicable Rules under the Companies Act and SEBI Regulations, as the case may be are provided in Annexure -I to the Notice.

Details of Mr. Gaurav Gupta have been provided in the "Annexure-II" to the Notice pursuant to the provisions of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India. This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36 of the Listing Regulations. Mr. Harish Kumar Gupta, Mr. Pawan Kumar Gupta, Mr. Saurav Gupta and Mr. Gaurav Gupta are interested in the resolution. The relatives of Mr. Harish Kumar Gupta may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.



Save and except the above, none of the other Director/Key Managerial Personnel of the Company/their relatives are, interested, financially or otherwise, in the resolution.

The Board recommends the Special Resolution set out at Item No. 6 of the Notice for approval by the members.

Main terms and conditions and remuneration and perquisites for the Directors appointed in Item No. 3, 4, 6, 7 above payable are as under :

(i) Period: 3 years with effect from 31st July, 2020

(ii) Salary: Rs. 2,00,000 per month

(iii) Perquisites: Perquisites shall be allowed in addition to salary and they shall be restricted to the following:

#### **CATEGORY 'A'**

##### 1) Housing :

a) The expenditure by the Company on hiring furnished accommodation for the Managing Director will be subject to the following ceiling: 60% of the salary, over and above 10% payable by the Managing Director.

b) In case the accommodation is owned by the Company 10% of the salary of the Managing Director shall be deducted by the Company.

c) In case no accommodation is provided by the Company, the Managing Director shall be entitled to house rent allowance subject to the ceiling laid down in (a) above.

Explanation.-The expenditure incurred by the Company on gas, electricity, water and furnishing will be valued as per the Income-tax Rules, 1962. This shall however be subject to a ceiling of 10% of the salary of the Chairman.

##### 2) Medical Reimbursement :

Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary in a year or three month's salary over a period of three years.

##### 3) Leave Travel Concession :

For self and family, once in a year incurred in accordance with the rules of the Company.

##### 4) Club Fees:

Fees of Clubs subject to a maximum of two clubs. This will not include admission and life membership fee.

##### 5) Personal Accident Insurance:

Premium not to exceed Rs. 15,000 per annum.

Explanation.-"Family" means the spouse, the dependent children and dependent parents of Managing Director. Perquisites as above, shall be restricted to an amount equal to the annual salary or Rs. 50,000 per annum, whichever is less.

#### **CATEGORY 'B'**

6) (a) Company's contribution towards Provident Fund and Family Pension: Fund as per the Rules of the Company but not exceeding 12% of the Salary.

(b) Company's contribution towards Superannuation Fund as per the Rules of the Company but it shall not, together with Company's contribution to Provident Fund, exceed 25 % of the Salary.

Contribution to Provident Fund, Family Pension Fund and Superannuation Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income-tax Act.

(7) Gratuity as per the Rules of the Company, but shall not exceed one-half month's salary for each completed year of service.

(8) Earned Leave: On full pay and allowances as per the Rules of the Company, but not exceeding one month's leave for every eleven months of service. Leave accumulated shall be encashable at the end of the tenure. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

#### **CATEGORY 'C'**

(i) Free use of Company's car on Company's business and telephone at residence and mobile phone will not be considered as

perquisites.

- (ii) Personal long distance calls and use of car for private purpose shall be billed by the Company.
- (iii) Reimbursement of entertainment expenses, travelling and all other expenses actually and properly incurred for the purpose of Company's business.
- (iv) No sitting fees shall be paid for attending the meeting of Board of Directors or Committee thereof.
- (v) Unless otherwise stipulated, for the purpose of this resolution, the perquisites shall be evaluated as per the Income Tax Rules wherever applicable. In the absence of any such Rule, perquisites shall be evaluated at actual cost.
- (vi) The total remuneration and perquisites benefits contemplated as per Category (A) and (B) above, including contribution towards Provident fund, Superannuation Fund, Annuity Fund, Gratuity fund (including any unfunded retirement benefits as per the rules of the Company), overseas medical, leave encashment, home leave expenses for expatriates, etc. payable to all the Managing/Whole time Directors of the Company shall not exceed 10% of the profits of the Company calculated in accordance with Section 197 of the Companies Act, 2013.
- (vii) The limits stipulated in this Resolution are the maximum limits and the Board may in its absolute discretion pay a lower remuneration and revise the same from time to time within the maximum limits stipulated by this resolution.
- (viii) In the absence or inadequacy of profits in any financial year, the remuneration payable to Chairman by way of salary and perquisites shall not exceed the maximum limits prescribed under Schedule V of the Companies Act, 2013.
- (ix) The maximum limit for salary and other perquisites shall be enhanced by 15% every year over the preceding year's salary and other perquisites.
- (x) In the event of any re-enactment or recodification of the Companies Act, 2013 or the Income Tax Act, 1961 or the Amendment thereto, this Resolution shall continue to remain in force and the reference to various provisions of the Companies Act, 2013, or the Income Tax Act, 1961 shall be deemed to be substituted by the corresponding provisions of the new Act or the amendments thereto or the Rules and notifications issued there under.

#### ITEM No.7 to 10

The first term of Mr. Sharad Mangal, Mr. Gunjan Jain, Ms. Kalpana Juneja, Nonexecutive Independent Directors of the Company has expired on 14th July 2020 and the first term of Mr. Vikas Mathur, Nonexecutive Independent Director of the Company has expired on 30th July 2020. Accordingly, on the recommendation of the Nomination & Remuneration Committee, the Board of Directors in its meeting held on 25th June, 2020 has approved to seek the approval of shareholders of the Company, in the ensuing Annual General Meeting, for the reappointment of Mr. Sharad Mangal, Mr. Gunjan Jain, Ms. Kalpana Juneja Nonexecutive Independent Directors for second term of five years with effect from 15th July, 2020 to 14th July 2025 and Mr. Vikas Mathur, Nonexecutive Independent Director for second term of five years with effect from 31st July, 2020 to 30th July 2025.

As per the provisions of Sections 149, 152 & Schedule IV of the Companies Act, 2013 read with the relevant Rules thereunder as amended, the Company had appointed Mr. Sharad Mangal, Mr. Gunjan Jain, Ms. Kalpana Juneja as an Independent Directors at the EGM of the Company held on 15th July, 2015 and Mr. Vikas Mathur at the EGM held on 31st July, 2015 for a term of 5 years and their term ends on the 14th July, 2020 and 30th July, 2020 respectively.

As the above-named Independent Directors shall be completing their first term of appointment and they are eligible for re-appointment for another term of five consecutive years subject to approval of the Members by Special Resolution. All the above-named Independent Directors have consented to their re-appointment and confirmed that they are not disqualified from being appointed as an Independent Director in terms of Section 164 of the Act. The Company has also received the declarations from the said Directors stating that they meet all the criteria of Independence, as prescribed under Section 149(6) of the Act and under Regulation 16 (b) of SEBI (LODR) Regulations, 2015 and they are not been debarred from holding the office of director or continuing as a director of company by SEBI/MCA or any other authority in India or abroad.

Based on the performance evaluation of the Independent Directors, the Nomination & Remuneration Committee and the Board of Directors of the Company at their Meeting held on 25th, June, 2020 have recommended the re-appointment of Mr. Sharad Mangal, Mr. Gunjan Jain, Ms. Kalpana Juneja as an Independent Director for a second term of five consecutive years effective from 15th July, 2020 to 14th July, 2025 and Mr. Vikas Mathur as an Independent Director for a second term of five consecutive years effective from 31st July, 2020 to 30th July, 2025. During their tenure of appointment, they shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013. In the opinion of the Board, they fulfil the conditions for re-appointment as Independent Directors and they are independent of the Management.

Brief resume of above Independent Directors, nature of their expertise in specific function areas and names of companies in which they hold directorship and memberships/ chairmanships of the Board Committees, shareholding and relationships between directors inter-se as stipulated under SEBI (LODR) Regulations, 2015, are provided in the Annexure to this Notice, which is forming part of the Annual Report.

None of the Directors or Key Managerial Personnel of the Company and their relatives other than the concerned Independent Directors are in anyway deemed to be concerned or interested, financially or otherwise, in the Resolutions as set out in Item Nos. 7, 8, 9 and 10 of the Notice.

The Board recommends the Special Resolutions as set out in Item Nos. 7, 8, 9 and 10 of the Notice for approval of the Member.

A copy of the draft letter for re-appointment of the Independent Directors setting out the terms and conditions of their reappointment is available for inspection by the Members may write to the Company on [cs@bellacasa.in](mailto:cs@bellacasa.in) for inspection of said documents till the conclusion of the ensuing General Meeting.

**ITEM NO. 11**

As per the provisions of sections 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by post or by registered post or by speed post or by courier or by delivering to his office or address, or by such electronic or other mode as may be prescribed. Further, a member may request for delivery of any document through a particular mode, for which he shall pay such fees in advance as may be determined by the company in its annual general meeting. Accordingly, the Board of Directors recommend the resolution for your approval by a special resolution. None of the Directors and Key Managerial Personnel (including relatives of directors or key managerial personnel) of the Company is concerned or interested, financially or otherwise, in this resolution.

For and on the behalf of the  
BELLA CASA FASHION & RETAIL LIMITED

Sd/-  
Sonika Gupta  
Company secretary & Compliance Officer  
Place: Jaipur  
Date: 05.09.2020



## ANNEXURE-1

STATEMENT PURSUANT TO THE PROVISIONS OF SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013 [INCLUDING SECRETARIAL STANDARD – 2 AND SEBI (LODR) REGULATIONS, 2015, AS APPLICABLE] IN RESPECTS OF ITEM NO. 3 TO 6 OF THE NOTICE

1.General Information	
(a) Nature of industry	Retailing & Manufacturing of Apparels, Bed sheets, Quilts, home furnishing textile items, printed/dyed furnishing fabrics.
(b) Date or expected date of commencement of commercial production.	05/02/1996
(c) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	N.A.
(d) Financial performance based on given indicators.	Rs.in Lacs
<b>Particulars</b>	<b>2019-20</b> <b>2018-19</b>
Total Income	16,353.72      14723.50
Total Expenditure	15,143.13      13488.95
Earning Before Finance Cost, Depreciation & Amortization and Tax (EBIDTA)	1802.81      1755.58
Less: Finance Cost	482.38      422.50
Less: Depreciation & Amortization expenses	109.84      98.52
Profit Before Tax and Exceptional Items	1,210.59      1234.56
Less: Tax Expenses	297.51      356.97
Comprehensive Income	2.70      24.81
Total Comprehensive Income for the period after Tax	915.78      902.40
Paid-Up Capital	1147.50      1147.50
(e) Foreign investments or collaborators, if any	NIL
<b>Information about the appointee:</b>	
<b>(1) HARISH KUMAR GUPTA</b>	
(a) Background details	Mr. Harish Kumar Gupta aged approximately 63 years is the Chairman and Whole Time Director of our Company. He has been Managing Director on the Board since incorporation. Over the years, Mr. Harish Kumar Gupta has acquired expertise in various areas of Retailing & manufacturing of apparels and home furnishings. He is the founder promoter of the Company and has been responsible for growth and development of the company since its inception.
(b) Past remuneration	He has been paid annual Remuneration of Rs. 15 lacs during the Financial 2017-18 (i.e. 1.75 lacs per month during the whole year), Rs. 24 lacs during the Financial year 2018-19 (i.e. 2 lacs per month during the whole year) and Rs. 24 lacs during the Financial year 2019-20 (i.e. 2 lacs per month during the whole year)
(c) Recognition or awards	The Company has received various awards and recognition during his tenure.
(d) Job profile and his suitability	Presently, his vast experience of more than 45 years in textile industry is enshrined on the company for formation of policies and developmental activities of the company. He is involved in identifying, developing and directing the implementation of business strategy. He is engaged in developing business plans and preparing comprehensive business reports and he also lays emphasis on

	improving margins and maintaining high quality standards to clients. He is also responsible for the Companies health and legislative adherence and maintains links with other trade and professionals associations.
<b>(e) Remuneration proposed</b>	There are no changes in the existing remuneration.
<b>(f) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person</b>	The Nomination and Remuneration Committee constituted by the Board, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Mr. Harish Kumar Gupta before recommending the remuneration as proposed hereinabove.
<b>(g) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any</b>	Mr. Harish Kumar Gupta is the Chairman & Whole-Time Director of the Company, belongs to promoter group & holds 10.05% of total shareholding of the company as on 31st March, 2020. He is brother of Managing Director Mr. Pawan Kumar Gupta, and Father of Whole-Time Director Mr. Gaurav Gupta.
<b>(2) PAWAN KUMAR GUPTA</b>	
<b>(a) Background details</b>	Pawan Kumar Gupta aged approximately 59 years is the Managing Director of our company. He has been on the Board since incorporation. He is the founder promoter of the Company and has more than 27 Years of experience in textile Business and 20 of experience in textile retailing & manufacturing. Under his dynamic leadership and vast experience, we are able to deliver constant value to our Company's projects and expansion strategy.
<b>(b) Past remuneration</b>	He has been paid annual Remuneration of Rs. 15 lacs during the Financial 2017-18 (i.e. 1.75 lacs per month during the whole year), Rs. 24 lacs during the Financial year 2018-19 (i.e. 2 lacs per month during the whole year) and Rs. 24 lacs during the Financial year 2019-20 (i.e. 2 lacs per month during the whole year)
<b>(c) Recognition or awards</b>	The Company has received various awards and recognition during his tenure.
<b>(d) Job profile and his suitability</b>	Being the founder of the organization he has worked on almost all areas in the organization which helps him understand and handle major function of Purchasing and Resource Management of our company. He is responsible for building client relationship that results in revenue and profitability growth. He is also involved in planning and organizing the activities of the Company to achieve its desired objective. He has a key role in motivating and development of the personnel's of management of the company.
<b>(e) Remuneration proposed</b>	There are no changes in the existing remuneration.
<b>(f) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person</b>	The Nomination and Remuneration Committee constituted by the Board, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Mr. Pawan Kumar Gupta before recommending the remuneration as proposed hereinabove.
<b>(g) Pecuniary relationship directly or indirectly with the Company, or relationship with the</b>	Mr. Pawan Kumar Gupta is the Managing Director of the Company, belongs to promoter group & holds 9.73% of total shareholding of the

<b>managerial personnel, if any</b>	Company as on 31st March, 2020. He is brother of Chairman & Whole-Time Director Mr. Harish Kumar Gupta, and Father of Whole-Time Director Mr. Saurav Gupta.
<b>(3) SAURAV GUPTA</b>	
<b>(a) Background details</b>	Mr. Saurav Gupta aged approximately 39 years is a Whole Time Director of our Company. He is a Post Graduate Diploma in Apparel Marketing & Merchandising from NIFT.
<b>(b) Past remuneration</b>	He has been paid annual Remuneration of Rs. 15 lacs during the Financial 2017-18 (i.e. 1.75 lacs per month during the whole year), Rs. 24 lacs during the Financial year 2018-19 (i.e. 2 lacs per month during the whole year) and Rs. 24 lacs during the Financial year 2019-20 (i.e. 2 lacs per month during the whole year)
<b>(c) Recognition or awards</b>	The Company has received various awards and recognition during his tenure.
<b>(d) Job profile and his suitability</b>	He has been handling the marketing, merchandising and product development functions of the company from past 15 years. His expertise has helped in accelerating growth in the apparel section of the company.
<b>(e) Remuneration proposed</b>	There are no changes in the existing remuneration.
<b>(f) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person</b>	The Nomination and Remuneration Committee constituted by the Board, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Mr. Saurav Gupta before recommending the remuneration as proposed herein above.
<b>(g) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any</b>	Mr. Saurav Gupta is a Whole-Time Director of the Company, belongs to promoter group & holds 8.73% of total shareholding of the Company as on 31st March, 2020. He is a son of Managing Director Mr. Pawan Kumar Gupta.
<b>(4) GAURAV GUPTA</b>	
<b>(a) Background details</b>	Mr. Gaurav Gupta aged approximately 39 years is a Whole Time Director of our Company. He has a post graduate diploma in International Trade from Bhartiya Vidya Bhawan and also Diploma in textile design. He has a rare distinction of having done his education in two varied but important fields.
<b>(b) Past remuneration</b>	He has been paid annual Remuneration of Rs. 15 lacs during the Financial 2017-18 (i.e. 1.75 lacs per month during the whole year), Rs. 24 lacs during the Financial year 2018-19 (i.e. 2 lacs per month during the whole year) and Rs. 24 lacs during the Financial year 2019-20 (i.e. 2 lacs per month during the whole year)
<b>(c) Recognition or awards</b>	The Company has received various awards and recognition during his tenure.
<b>(d) Job profile and his suitability</b>	He handles all the production related functions of the company from last 19 years. His expertise has promoted the company into home furnishing and exports.
<b>(e) Remuneration proposed</b>	There are no changes in the existing remuneration.
<b>(f) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person</b>	The Nomination and Remuneration Committee constituted by the Board, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry



	benchmarks in general, profile and responsibilities of Mr. Gaurav Gupta before recommending the remuneration as proposed hereinabove.
<b>(g) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any</b>	Mr. Gaurav Gupta is a Whole-Time Director of the Company, belongs to promoter group & holds 9.21% of total shareholding of the Company as on 31st March, 2020. He is a son of Chairman & Whole-Time Director, Mr. Harish Kumar Gupta.
<b>3. OTHER INFORMATION</b>	
<b>Reason of Loss or inadequate profits</b>	Slowdown of Indian economy, competition, increased cost of raw materials, higher interest cost, general reversionary trend in the textile industry, global slowdown has squeezed the margins of the Company.
<b>Steps taken or proposed to be taken for improvement</b>	The Company has initiated various steps to improve its operational performance/liquidity, including lowering its operating cost, augmenting its branded sales. Improved productivity and cost control measures have been put in place.
<b>Expected increase in productivity and profits in measurable terms:</b>	The Company has taken various initiatives to improve market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve financial performance.
<b>4. DISCLOSURES</b>	
<p>The details required to be given under this head is disclosed in Corporate Governance Report of the Company which forms part of Annual Report 2019-20. The remuneration package proposed to be given to each managerial personnel is as per the details given in the resolution. The Report on Corporate Governance in the Annual Report indicates the remuneration paid to the managerial personnel as well as to all other Directors. There is no severance fee or stock option in the case of the aforesaid managerial personnel.</p> <p>The Board recommends passing of the relevant Special Resolution as mentioned in Item no. 3, 4, 5, and 6 of the notice. Other than Mr. Harish Kumar Gupta, Mr. Pawan Kumar Gupta, Mr. Gaurav Gupta and Mr. Saurav Gupta and their respective relatives none of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in this Resolution.</p>	

## ANNEXURE - II

DETAILS OF THE DIRECTORS SEEKING RE-APPOINTMENT AT THE 24th ANNUAL GENERAL MEETING [In pursuance of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2)]

<b>Name of the Director</b>	<b>Harish Kumar Gupta</b>
<b>DIN</b>	01323944
<b>Item No.</b>	3
<b>Date of Birth</b>	27/07/1957
<b>Age</b>	63
<b>Nationality</b>	Indian
<b>Qualification</b>	He holds a bachelor's degree in commerce
<b>Brief profile</b>	Mr. Harish Kumar Gupta has acquired expertise in various areas of manufacturing of apparels and home furnishings. He is the founder promoter of the Company and has been responsible for growth and development of the company since its inception. Presently, his vast experience of more than 45 years in textile industry is enshrined on the company for formation of policies and developmental activities of the company. He is involved in identifying,

	developing and directing the implementation of business strategy. Further, he is heavily involved in maintaining the budget of the company and ensures that the expenditure does not cross the actual limit of the company.
<b>Terms and Conditions of re-appointment</b>	As stated in the resolution set out in item number 3 of the Notice
<b>Details of Remuneration sought to be paid</b>	As stated in the resolution set out in item number 3 of the Notice
<b>Last Remuneration Drawn</b>	₹24,36,000/-
<b>Date of first appointment on the Board</b>	05/02/1996
<b>Directorship held in other Company</b>	NIL
<b>Chairman/ Member of the Committee of the Board of Directors of our Company</b>	Member-Audit Committee Member-Corporate Social Responsibility Committee
<b>Committee position held in other Companies</b>	NIL
<b>Number of shares held in company as on 31.03.2020</b>	11,58,414
<b>Number of the Meetings attended during the year</b>	7 out of 7
<b>Relationship with other Directors, Manager and other Key Managerial Personnel of the Company</b>	Relative of Mr. Pawan Kumar Gupta, Managing Director, Saurav Gupta, Whole Time Director and Gaurav Gupta, Whole-Time Director of the Company.
<b>Name of the Director</b>	<b>Pawan Kumar Gupta</b>
<b>DIN</b>	01543446
<b>Item No.</b>	4
<b>Date of Birth</b>	01/09/1961
<b>Age</b>	59
<b>Nationality</b>	Indian
<b>Qualification</b>	He holds a bachelor's degree in commerce.
<b>Brief profile</b>	He is the founder promoter of the Company and has more than 27 Years of experience in textile trading and 20 of experience in textile manufacturing. Under his dynamic leadership and vast experience, we are able to deliver constant value to our Company's projects and expansion strategy. Being the founder of the organization he has worked on almost all areas in the organization which helps him understand and handle major function of Purchasing and Resource Management of our company. He is responsible for building client relationship that results in revenue and profitability growth.
<b>Terms and Conditions of re-appointment</b>	As stated in the resolution set out in item number 4 of the Notice
<b>Details of Remuneration sought to be paid</b>	As stated in the resolution set out in item number 4 of the Notice
<b>Last Remuneration Drawn</b>	₹24,36,000/-
<b>Date of first appointment on the Board</b>	05/02/1996
<b>Directorship held in other Company</b>	NIL
<b>Chairman/ Member of the Committee of the Board of Directors of our Company</b>	Member-Shareholder's / Investors Grievance Committee Member-Corporate Social Responsibility Committee
<b>Committee position held in other Companies</b>	NIL
<b>Number of shares held in company as on 31.03.2020</b>	11,21,964
<b>Number of the Meetings attended during the year</b>	7 out of 7

<b>Relationship with other Directors, Manager and other Key Managerial Personnel of the Company</b>	Relative of Mr. Harish Kumar Gupta, Whole-Time Director, Saurav Gupta, Whole Time Director and Gaurav Gupta, Whole-Time Director of the Company.
<b>Name of the Director</b>	<b>Saurav Gupta</b>
<b>DIN</b>	07106619
<b>Item No.</b>	5
<b>Date of Birth</b>	02/07/1981
<b>Age</b>	39
<b>Nationality</b>	Indian
<b>Qualification</b>	Post Graduate Diploma in Apparel Marketing & Merchandising from NIFT
<b>Brief profile</b>	He has a Post Graduate Diploma in Apparel Marketing & Merchandising from NIFT. He has been handling the marketing, merchandising and product development functions of the company from past 15 years. His expertise has helped in accelerating growth in the apparel and home furnishing section of the company.
<b>Terms and Conditions of re-appointment</b>	As stated in the resolution set out in item number 5 of the Notice
<b>Details of Remuneration sought to be paid</b>	As stated in the resolution set out in item number 5 of the Notice
<b>Last Remuneration Drawn</b>	₹24,36,000/-
<b>Date of first appointment on the Board</b>	20/03/2015
<b>Directorship held in other Company</b>	Dynamic Cables Limited
<b>Chairman/ Member of the Committee of the Board of Directors of our Company</b>	NIL
<b>Committee position held in other Companies</b>	Member- Audit Committee Member-Nomination and Remuneration/ Compensation Committee Member-Shareholder's/Investors Grievance Committee
<b>Number of shares held in company as on 31.03.2020</b>	10,01,975
<b>Number of the Meetings attended during the year</b>	7 out of 7
<b>Relationship with other Directors, Manager and other Key Managerial Personnel of the Company</b>	Relative of Mr. Harish Kumar Gupta, Chairman & Whole-Time Director, Pawan Kumar Gupta, Managing Director and Gaurav Gupta, Whole-Time Director of the Company.
<b>Name of the Director</b>	<b>Gaurav Gupta</b>
<b>DIN</b>	07106587
<b>Item No.</b>	6
<b>Date of Birth</b>	20/07/1981
<b>Age</b>	39
<b>Nationality</b>	Indian
<b>Qualification</b>	Post Graduate Diploma in International Trade from Bhartiya Vidhya Bhawan and also having Diploma in Textile Design.
<b>Brief profile</b>	He has a post graduate diploma in International Trade from Bhartiya Vidya Bhawan and also Diploma in textile design. He has a rare distinction of having done his education in two varied but important fields. He handles all the production related functions of the company from last 19 years. His expertise has promoted the company into home furnishing and exports.



<b>Terms and Conditions of re-appointment</b>	As stated in the resolution set out in item number 6 of the Notice
<b>Details of Remuneration sought to be paid</b>	As stated in the resolution set out in item number 6 of the Notice
<b>Last Remuneration Drawn</b>	₹ 24,36,000/-
<b>Date of first appointment on the Board</b>	20/03/2015
<b>Directorship held in other Company</b>	NIL
<b>Chairman/ Member of the Committee of the Board of Directors of our Company</b>	NIL
<b>Committee position held in other Companies</b>	NIL
<b>Number of shares held in company as on 31.03.2020</b>	10,57,000
<b>Number of the Meetings attended during the year</b>	7 out of 7
<b>Relationship with other Directors, Manager and other Key Managerial Personnel of the Company</b>	Relative of Mr. Harish Kumar Gupta, Chairman & Whole-Time Director, Pawan Kumar Gupta, Managing Director and Saurav Gupta, Whole-Time Director of the Company.
<b>Name of the Director</b>	<b>Sharad Mangal</b>
<b>DIN</b>	01127317
<b>Item No.</b>	7
<b>Date of Birth</b>	10/12/1980
<b>Age</b>	40
<b>Nationality</b>	Indian
<b>Qualification</b>	He holds a Master's degree in Commerce
<b>Brief profile</b>	He has wide experience of working for 12 years in cables and conductor industry. He is also a Director in Shree Mangal Sodium India Private Limited.
<b>Terms and Conditions of re-appointment</b>	As stated in the resolution set out in item number 7 of the Notice
<b>Details of Remuneration sought to be paid</b>	As stated in the resolution set out in item number 7 of the Notice
<b>Last Remuneration Drawn</b>	NA
<b>Date of first appointment on the Board</b>	15/07/2015
<b>Directorship held in other Company</b>	NIL
<b>Chairman/ Member of the Committee of the Board of Directors of our Company</b>	Chairman-Audit Committee Member- Shareholder's / Investors Grievance Committee Member- Nomination and Remuneration/ Compensation Committee
<b>Committee position held in other Companies</b>	NIL
<b>Number of shares held in company as on 31.03.2020</b>	5009
<b>Number of the Meetings attended during the year</b>	3 out of 7
<b>Relationship with other Directors, Manager and other Key Managerial Personnel of the Company</b>	NIL
<b>Name of the Director</b>	<b>Gunjan Jain</b>
<b>DIN</b>	07223400
<b>Item No.</b>	8
<b>Date of Birth</b>	08/02/1982
<b>Age</b>	38

<b>Nationality</b>	Indian
<b>Qualification</b>	He holds a bachelor's degree in Commerce.
<b>Brief profile</b>	He has experience of working for 14 years in International Journal House and is also a major partner in Overlay.
<b>Terms and Conditions of re-appointment</b>	As stated in the resolution set out in item number 8 of the Notice
<b>Details of Remuneration sought to be paid</b>	As stated in the resolution set out in item number 8 of the Notice
<b>Last Remuneration Drawn</b>	NA
<b>Date of first appointment on the Board</b>	15/07/2015
<b>Directorship held in other Company</b>	NIL
<b>Chairman/ Member of the Committee of the Board of Directors of our Company</b>	Chairman-Audit Committee Member- Nomination and Remuneration/ Compensation Committee Chairman-Corporate Social Responsibility Committee
<b>Committee position held in other Companies</b>	NIL
<b>Number of shares held in company as on 31.03.2020</b>	NIL
<b>Number of the Meetings attended during the year</b>	4 out of 7
<b>Relationship with other Directors, Manager and other Key Managerial Personnel of the Company</b>	NIL
<b>Name of the Director</b>	<b>Kalpana Juneja</b>
<b>DIN</b>	07226135
<b>Item No.</b>	9
<b>Date of Birth</b>	14/06/1981
<b>Age</b>	39
<b>Nationality</b>	Indian
<b>Qualification</b>	She holds Master's degree in Computer Applications Ms. Kalpana Juneja is the
<b>Brief profile</b>	Non-Executive Independent Director of our Company. She has wide experience of working for 14 years in sales and marketing.
<b>Terms and Conditions of re-appointment</b>	As stated in the resolution set out in item number 9 of the Notice
<b>Details of Remuneration sought to be paid</b>	As stated in the resolution set out in item number 9 of the Notice
<b>Last Remuneration Drawn</b>	NA
<b>Date of first appointment on the Board</b>	15/07/2015
<b>Directorship held in other Company</b>	NIL
<b>Chairman/ Member of the Committee of the Board of Directors of our Company</b>	Chairperson- Shareholder's / Investors Grievance Committee Chairperson- Nomination and Remuneration/ Compensation Committee
<b>Committee position held in other Companies</b>	NIL
<b>Number of shares held in company as on 31.03.2020</b>	NIL
<b>Number of the Meetings attended during the year</b>	1 out of 7
<b>Relationship with other Directors, Manager and other Key Managerial Personnel of the Company</b>	NIL

<b>Name of the Director</b>	<b>Vikas Mathur</b>
<b>DIN</b>	07252879
<b>Item No.</b>	10
<b>Date of Birth</b>	08/07/1981
<b>Age</b>	39
<b>Nationality</b>	Indian
<b>Qualification</b>	Master of Physiotherapy
<b>Brief profile</b>	Mr. Vikas Mathur is the Non-Executive Independent Director of Our Company. He is a Master of Physiotherapy and has wide experience of working around 11 years.
<b>Terms and Conditions of re-appointment</b>	As stated in the resolution set out in item number 10 of the Notice
<b>Details of Remuneration sought to be paid</b>	As stated in the resolution set out in item number 10 of the Notice
<b>Last Remuneration Drawn</b>	NA
<b>Date of first appointment on the Board</b>	31/07/2015
<b>Directorship held in other Company</b>	NIL
<b>Chairman/ Member of the Committee of the Board of Directors of our Company</b>	NIL
<b>Committee position held in other Companies</b>	NIL
<b>Number of shares held in company as on 31.03.2020</b>	NIL
<b>Number of the Meetings attended during the year</b>	1 out of 7
<b>Relationship with other Directors, Manager and other Key Managerial Personnel of the Company</b>	NIL



## DIRECTOR'S REPORT

To,

Dear Shareholders,

The Directors of Bella Casa Fashion & Retail Limited have pleasure presenting their 24th Annual Report on the business and operations of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2020.

### 1. FINANCIAL RESULTS

The audited financial results of the Company for the year ended March 31st, 2020 are summarized below:

Rs. in Lacs

Particulars	2019-20	2018-19
Total Income	16,353.72	14723.50
Total Expenditure	15,143.13	13488.95
Earning Before Finance Cost, Depreciation & Amortization and Tax (EBIDTA)	1802.81	1755.58
Less: Finance Cost	482.38	422.50
Less: Depreciation & Amortization expenses	109.84	98.52
Profit Before Tax and Exceptional Items	1,210.59	1234.56
Less: Tax Expenses	297.51	356.97
Comprehensive Income	2.70	24.81
Total Comprehensive Income for the period after Tax	915.78	902.40

### 2. REVIEW OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

The Company recorded total revenue of Rs. 16353.72 Lacs during the year under review as against Rs. 14723.50 Lacs in the previous year thereby registering growth of 11.07 %. The profit after tax for the year ended 31st March, 2020 is Rs. 913.07 Lacs as against Rs. 877.59 Lacs in the previous year showing growth of 4.04%. EBIDTA during the year increased from 1755.58 Lacs to 1802.81 Lacs registering a significant growth of 2.69%.

### 3. IMPACT OF GLOBAL CRISIS: COVID-19

Covid-19 pandemic has been rapidly spreading throughout the world, including India. Government in India has taken significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities.

Consequently, Company's manufacturing plants and offices had to be closed down for a considerable period of time, including after the year end. As a result of the lockdown, the likely revenue from the month of March 2020 has been impacted.

Continued lockdowns are likely to impact the Company operationally including on supply chain matters. The Company is monitoring the situation closely taking into account directives from the Governments. Management believes that it has taken into account all the possible impacts of known events arising from COVID-19 pandemic and the resultant lockdowns in the preparation of the financial statements including but not limited to its assessment of Group's liquidity and going concern, recoverable values of its property, plant and equipment, intangible assets, and the net realisable values of other assets.

However, given the effect of these lockdowns on the overall economic activity and in particular on the textile & garment industry, the impact assessment of COVID-19 on the financial statement captions is subject to significant estimation uncertainties given its nature and duration and, accordingly, the actual impacts in future may be different from those estimated as at the date of approval of the financial statements. The Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial results.

### 4. DIVIDEND

Your Directors are pleased to inform you that an Interim Dividend of Rs. 1.20/- (one rupees twenty paise) per equity share of face value of Rs. 10/- each has been paid for the year ended 31st March, 2020. The total Interim Dividend, amounts to Rs. 1.20/- per equity share and will absorb 1,66,00,561.20 (One crore sixty six lacs five hundred sixty one rupees and twenty paise) including Dividend Distribution Tax of Rs. 28,30,561.20/-

### 5. TRANSFER TO RESERVES & SURPLUS

The Company proposes to transfer an amount of Rs. 915.78 lacs (Previous year Rs. 902.40 Lacs) to general reserves.

### 6. SHARE CAPITAL

The authorized and paid up equity share capital as on March 31, 2020 stood at Rs. 11,75,00,000 (Rupees eleven crores seventy five lacs) and 11,47,50,000 (Rupees eleven crores forty seven lacs fifty thousand) respectively.

During the year under review, the Company has not issued shares or convertible securities or shares with differential voting rights nor has granted any stock options or sweat equity or warrants. As on March 31, 2020, none of the directors of the Company hold instruments convertible into Equity Shares of the Company.

#### **7. DECLARATION OF INDEPENDENT DIRECTORS**

Your Company has received declarations from all the Independent Directors of the Company and they have confirmed that they meet the criteria of independence laid down under Section 149(6) of the Companies Act, 2013 read with Schedules and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 (1) (b) of the Listing Regulations.

The Board of Directors have taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same.

#### **8. FINANCE & ACCOUNTS**

As mandated by the Ministry of Corporate Affairs, the financial statements for the year ended on March 31, 2020 has been prepared in accordance with the Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014. The estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2020. The notes to the Financial Statements adequately cover Audited Statements and form an integral part of this report.

#### **9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

Pursuant to the provisions of Section 186(4) of the Act and SEBI (LODR) 2015, disclosures on particulars relating to loans, advances and investments are provided as part of the Financial Statements. There are no guarantees issued or securities provided by your Company in terms of Section 186 of the Act, read with the Companies (Meetings of Board and its Powers) Rules, 2014

#### **10. BOARD OF DIRECTORS**

The current term has expired of Executive Directors viz. Mr. Harish Kumar Gupta, Chairman & Whole-Time Director, Mr. Pawan Kumar Gupta, Managing Director, Mr. Saurav Gupta, Whole-time Director and Mr. Gaurav Gupta, Whole- Time Director on 30th July 2020, accordingly, on the recommendation of the Nomination & Remuneration Committee, the Board has, subject to the approval of the shareholders in the ensuing Annual General Meeting, approved the reappointment of the aforesaid Executive Directors for a further period of five years i.e. with effect from 31st July, 2020 to 30th July, 2025.

The first term of Mr. Sharad Mangal, Mr. Gunjan Jain, Ms. Kalpana Juneja, Nonexecutive Independent Directors of the Company would be expiring on 14th July 2020 and the first term of Mr. Vikas Mathur, Nonexecutive Independent Director of the Company has expired on 30th July 2020. Accordingly, on the recommendation of the Nomination & Remuneration Committee, the Board of Directors in its meeting held on 25th June, 2020 has approved to seek the approval of shareholders of the Company, in the ensuing Annual General Meeting, for the reappointment of Mr. Sharad Mangal, Mr. Gunjan Jain, Ms. Kalpana Juneja Nonexecutive Independent Directors for second term of five years with effect from 15th July, 2020 to 14th July 2025 and Mr. Vikas Mathur, Nonexecutive Independent Director for second term of five years with effect from 31st July, 2020 to 30th July 2025.

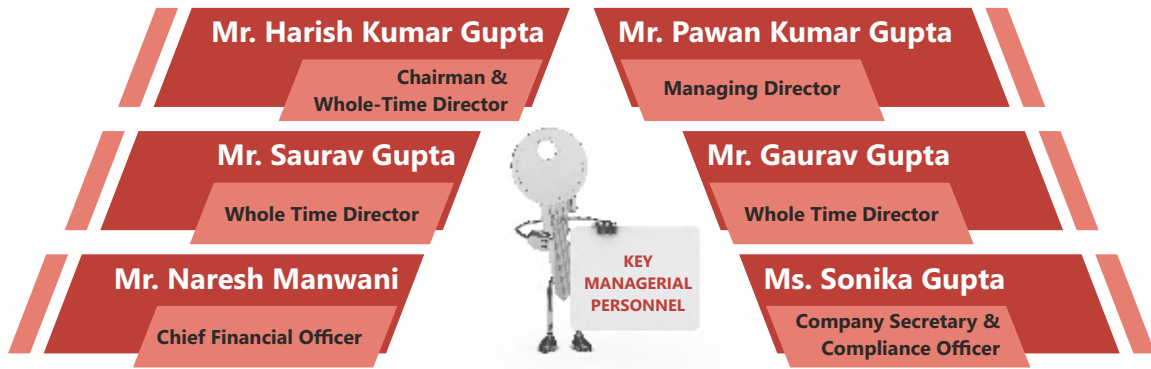
In accordance with the provisions of section 149, 152 and other applicable provisions of the Companies Act, 2013, one third of such of Directors as are liable to retire by rotation, shall retire every year and, if eligible, offer themselves for re-appointment at every AGM. Consequently, Mr. Gaurav Gupta, Whole Time Director will retire by rotation at the ensuing Annual General Meeting and, being eligible, offer himself for re-appointment.

The Board recommends their re-appointment for the consideration of Members of the Company at the ensuing Annual General Meeting.

A brief resume of the Director proposed to be, re-appointed, is furnished in the notice of the AGM. During the year under review, there is no change in the Board of Directors of the Company.

#### **11. KEY MANAGERIAL PERSONNEL**

During the year under review, the Company has following persons as Key Managerial Personnel:



During the year under review, there is no change in the Key Managerial Personnel of the Company.

## 12. NUMBER OF THE MEETING OF THE BOARD

The details of the Number of Meetings of the Board held during the financial year 2019-20 forms part of the Corporate Governance.

## 13. COMMITTEES OF THE BOARD

The Board of Directors have the following committees:

1. Audit Committee
2. Shareholder's / Investors Grievance Committee
3. Nomination and Remuneration/ Compensation Committee
4. Corporate Social Responsibility Committee

The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

## 14. RESPONSIBILITY STATEMENT-

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that-

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

## 15. ACCEPTANCE OF DEPOSITS-

The Company has not accepted any Deposits from the Public within the meaning of Section 73 of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014

## 16. EXTRACT OF THE ANNUAL RETURN

We have enclosed the extract of the annual return in Form No. MGT - 9 in ANNEXURE 'F' shall form part of the Board's report.

## 17. INVESTOR EDUCATION AND PROTECTION FUND -

There were no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.



**18. LISTING FEES**

Presently, the Equity Shares of the Company are listed on the BSE Limited. The Company has paid the annual listing fees for the financial year 2020-2021 to BSE.

**19. STATUTORY AUDITORS**

M/s Vikas Jain & Associates, Chartered Accountants (FRN 006803C) were appointed as Statutory Auditors of the Company for a period of five consecutive years at the Annual General Meeting (AGM) of the Members held on Saturday, 28th September, 2019 on a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditors. Their appointment was subject to ratification by the Members at every subsequent AGM held after the AGM held on Saturday, 28th September, 2019. Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017 effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from the Statute.

Hence the resolution seeking ratification of the Members for continuance of their appointment at this AGM is not being sought. There is no audit qualification, reservation or adverse remark for the year under review.

**20. AUDITOR'S REPORT-**

In the opinion of the Directors the notes to the accounts in auditor's report are self-explanatory and adequately explained the matters, which are dealt with by the Auditors.

**21. SECRETARIAL AUDIT**

Pursuant to the provisions of the section 204 of the Companies Act, 2013 and rules made there under, the Company has appointed M/s Shailja Sharma & Associates, Company Secretary in the Board Meeting held on 12.02.2020 to undertake the Secretarial Audit of the Company. The report is enclosed as "ANNEXURE A" to this report. No adverse comments have been made in the report by the Practicing Company Secretary.

**22. COST AUDIT-**

As per the requirement of the Central Government and pursuant to section 148 of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules, 2014 as amended from time to time your company hereby confirms that during the year under review, cost audit was not applicable to the Company.

**23. INTERNAL AUDIT**

Pursuant to the section 138 of the Companies Act, 2013 read with rule 13 of the Companies (Accounts) Rules, 2014 Company has appointed M/S Swarnkar & Company, Chartered Accountants as Internal Auditor of the Company in the Board Meeting held on 12.02.2020 to undertake internal audit. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

**24. REPORTING OF FRAUDS**

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder

**25. SECRETARIAL STANDARDS**

The Company complies with all the secretarial standards.

**26. RELATED PARTY TRANSACTION-**

The Company has no material significant transactions with its related parties which may have a potential conflict with the interest of the Company at large. All transactions entered with the Related Parties as defined under the Companies Act, 2013 and regulation 23 of the SEBI (listing Obligation & Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of section 188 of the Companies Act, 2013. Thus disclosure in form AOC- 2 is not required. Related party transactions have been disclosed under the Note 39 of significant accounting policies and notes forming part of the financial statements in accordance with Ind AS 24.

A statement in summary form of transactions with related parties in the ordinary course of business and arm's length basis is periodically placed before the Audit committee for review and recommendation to the Board for their approval.

The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company viz. <http://www.bellacasaretail.com/docs/investors/POLICIES/Related%20Party%20Transaction%20Policy.pdf>

## **27. SUBSIDIARY COMPANIES**

The Company does not have any subsidiary.

## **28. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

As per requirements of Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure) Regulations 2015, Management's Discussion and Analysis of the financial condition and results of operations have been provided separately in this Annual Report.

## **29. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :**

The information under section 134(3) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, been appended as "Annexure B" to this Report.

## **30. RISK MANAGEMENT**

Business risk evaluation and management is ongoing process within the Company. The Assessment is periodically examined by the Board. The management of the Company has identified some of the major areas of concern having inherent risk, viz. Financial, Commodity Price, Regulatory, Human Resource, Interest rate Risks. The processes relating to minimizing the above risks have already been put in place at different levels of management. The management of the Company reviews the risk management processes and implementation of risk mitigation plans. The processes are continuously improved.

## **31. PARTICULARS OF EMPLOYEES**

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been appended as "Annexure C" to this Report.

A statement comprising the names of top 10 employees in terms of remuneration drawn and every persons employed throughout the year, who were in receipt of remuneration in terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as "Annexure D" and forms an integral part of this annual report. The above Annexure is not being sent along with this annual report to the members of the Company in line with the provisions of Section 136 of the Act. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company. The aforesaid Annexure is also available for inspection by Members at the Registered Office of the Company, up to the date of the ensuing Annual General Meeting during the business hours on working days.

## **32. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS**

There are no significant and material orders passed by the Courts or any other regulators which would impact the going concern status of the Company and its future Operation.

## **33. PERFORMANCE EVALUATION-**

Pursuant to the provisions of the Act and Listing Regulations and in terms of the framework of the Board Performance Evaluation, the Nomination and Remuneration Committee and the Board have carried out an annual performance evaluation of its own performance, the performance of various Committees of the Board, individual Directors and the Chairman. The manner in which the evaluation has been carried out has been set out in the Corporate Governance Report which forms an integral part of this Report.

## **34. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE(PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal committee constituted under the said act has confirmed that no complaint/case has been filed/ pending with the Company during the year.

**35. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

**36. STATEMENT OF DEVIATION OR VARIATION**

Pursuant to Regulation 32(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, there is no deviation or variation in the use of proceeds.

**37. CORPORATE GOVERNANCE-**

As per Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the report of the Corporate Governance and the Certificate of the Auditors of the Company in respect of compliance thereof and appended hereto and forming part of the report.

**38. CORPORATE SOCIAL RESPONSIBILITY-**

The Company has a Corporate Social Responsibility (CSR) Policy in place and the same can be accessed at <http://www.bellacasaretail.com/docs/investors/POLICIES/CSR%20Policy.pdf>. The details about committee composition and terms of reference of committee are given in Corporate Governance Report and forms integral part of this report. A 'CSR Report' on CSR activities has been provided in Annual Report on CSR is attached as "Annexure E".

**39. ENVIRONMENT, HEALTH AND SAFETY**

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

**40. BUSINESS RESPONSIBILITY REPORTING**

The Business Responsibility Reporting as required under Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to your company for the financial year 2019-20.

**41. CAUTIONARY STATEMENT**

Statement in the annual return particularly those which relate to Management Discussion & Analysis Report may constitute forward looking statements within the meaning of applicable laws and regulations. Although the expectations are based on reasonable assumption, the actual result might differ.

**42. APPRECIATION AND ACKNOWLEDGEMENT**

Your Directors express their sincere gratitude for the assistance and co-operation extended by the customers, various Government, Semi-Government, and Local Authorities, Suppliers, Shareholders, Business Association.

Your Directors also wish to place on record their deep appreciation for the dedication & hard work put by the employees at all levels towards the growth of the Company. Last but not the least, Board of Directors wish to thank Investors/Shareholders for their support, co-operation and faith in the Company.

For and on the behalf of the

**Bella casa Fashion Retail Limited**

Sd/-

Harish Kumar Gupta (Chairman & Whole-Time Director)

DIN: 01323944

Place: Jaipur

Date: 05.09.2020

Sd/-

Pawan Kumar Gupta (Managing Director)

DIN: 01543446

Place: Jaipur

Date: 05.09.2020

## ANNEXURE 'A'

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31st March 2020**  
**[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies**  
**(Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,

The Members,  
Bella Casa Fashion & Retail Limited  
E-102, 103 EPIP, Sitapura Industrial Area  
Jaipur - 302 022 (Rajasthan).

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bella Casa Fashion & Retail Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing opinion thereon.

Based on our verification of Bella Casa Fashion & Retail Limited, (Company's) books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the Company has, during the audit period covering the financial year from 01st April 2019 to 31st March 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by Bella Casa Fashion & Retail Limited for the financial year ended on 31st March 2020, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder as may be applicable;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not Applicable to the Company during the Audit Period);
  - (e) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the Audit Period)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993



(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company during the Audit Period)

(h) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not Applicable to the Company during the Audit Period)

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

(j) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (Not Applicable to the Company during the Audit Period) and

(k) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with Stock Exchange(s)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. There was no change in the composition of the Board of Directors during the period under review.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that:-

\*\*During the audit period:-

- On May 27, 2019, The Board of Directors had recommended a final dividend of Rs. 1 per equity share (face value of Rs. 10 per equity share) for the financial year ended March 31, 2019 which had been approved by the shareholders in the Annual General Meeting held on September 28, 2019.
- On March 14, 2020, The Board of Directors had declared an interim dividend of Rs. 1.20 (12%) per share on 1,14,75,000 equity shares of face value of Rs. 10/- each for the financial year 2019-20.

Place:- Jaipur  
Date:- 25.08.2020

For Shailja Sharma & Associates  
Company Secretaries  
Shailja Sharma (Proprietor)  
FCS 6872  
CP No. 7554

This Report is to be read with our letter of even date which is annexed as annexure 'a' and Forms an integral part of this report.

## annexure 'a'

To,

The Members,  
Bella Casa Fashion & Retail Limited  
(Formerly known as Gupta Fabtex Private Limited)  
E-102, 103 EPIP, Sitapura Industrial Area  
Jaipur - 302 022 (Rajasthan)

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place:- Jaipur  
Date:- 25.08.2020

For Shailja Sharma & Associates  
Company Secretaries  
Shailja Sharma (Proprietor)  
FCS 6872  
CP No. 7554

## ANNEXURE 'B'

### Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information under section 134(3) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2020 is given below and forms part of the Director's Report.

#### (A) Conservation of Energy

(i) The steps taken or impact on conservation of energy

In line with the Company's commitment towards conservation of energy, Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved. Company continues with their efforts aimed at improving energy efficiency through innovative measures to reduce wastage and optimize consumption. Some of the measures taken by the company in this direction are as under:

- a. Replacement of old utility equipment's with new energy efficient equipment's.
  - b. Effective preventive maintenance helped in increasing energy efficiency of equipment.
- (ii) The steps taken by the Company for utilizing alternate source of energy- N.A.
- (iii) The capital investment on energy conservation equipment's – **NIL**

#### (B) Technology Absorption

(i) The efforts made towards technology absorption

The Company continues to perform R&D activities to improve quality of products and to reduce production cost to serve its customer better.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution

- a. Development of new products
- b. Reduction of production cost
- c. Product and process improvement

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - **N.A.**

(iv) The expenditure incurred in Research and Development Rs. 3, 62,201

#### (C) Foreign exchange earnings and Outgo Particulars

Particulars	2019-20	2018-19
Earnings in foreign Exchange	6,00,33,062	2,01,44,871
Outgo in foreign Exchange	NIL	NIL

For and on behalf of Board

Sd/-

Harish Kumar Gupta

Chairman & Whole-Time Director

DIN: 01323944

Date: 05.09.2020

Place: Jaipur

**ANNEXURE 'C'**

**[Details pertaining to remuneration as required under section 197 of the companies act, 2013 read with rule 5(1) of the companies (appointment and remuneration of managerial personnel) rules, 2014]**

1. Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2019-20, the percentage increase in remuneration of Executive Directors, Chief Financial Officer and Company Secretary during the financial year 2019-20.

Sl. No.	Name of Director/ KMP	Designation	Ratio of remuneration of each Director to median remuneration of employees	Percentage increase in remuneration
1.	Mr. Harish Kumar Gupta	Chairman & Whole-Time Director	36.56	NIL
2.	Mr. Pawan Kumar Gupta	Managing Director	36.56	NIL
3.	Mr. Gaurav Gupta	Whole-Time Director	36.56	NIL
4.	Mr. Saurav Gupta	Whole-Time Director	36.56	NIL
5.	Mr. Naresh Manwani	Chief Financial Officer	N.A.	11.67%
6.	Ms. Sonika Gupta	Company Secretary	N.A.	23.16%

Note:

- (a) The Non-Executive Directors of the Company are entitled for sitting fees and commission as per statutory provisions and within the limits approved by the shareholders. The details of remuneration of Non-Executive Directors are provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for Non-Executive Directors is therefore not considered for the above purpose.
- (b) The median remuneration of employees of the company was Rs. 66,631.
2. The percentage decrease in the median remuneration of Employees for the financial year was 9.75%.
3. The Company has 612 permanent Employees on the rolls of Company as on March 31, 2020.
4. Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year was 45.72%, whereas the increase in the managerial remuneration was NIL. The average increases every year is an outcome of the Company's market competitiveness and business performance.
5. The key parameters for any variable component of remuneration :  
Variable compensation is an integral part of our total remuneration package for all employees including Managing Directors/ Whole-time Directors. Variable Pay is directly linked to business performance. At the start of the year, the Management sets business and financial targets for the Company. These are drawn from the organizational strategic plan and are then reviewed for consistency and stretch.

It is hereby affirmed that the remuneration paid during the year is as per the remuneration policy of the Company.

For and on behalf of Board

Sd/-

Harish Kumar Gupta

Chairman & Whole-Time Director

DIN: 01323944

Date: 05.09.2020

Place: Jaipur



**ANNEXURE 'E'****ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES 2019-20**

**[Pursuant to Section 134(3) (o) of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014]**

(a) a brief outline of the CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR Policy and projects or programs;

Promoting Education, Promoting Preventive Health Care, Eradicating Hunger, Poverty & Malnutrition and Preventive Health Care. Making Available Safe Drinking Water, Environment Sustainability, and Ecological Balance & Conservation of Natural Resources. Rural sports and Setting up Old Age Homes etc.

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website and the web link for the same is

<http://www.bellacasaretail.com/docs/investors/POLICIES/CSR%20Policy.pdf>

(b) composition of the CSR Committee, number of meetings held during the year

Name of Director	Status in the Committee	No. of Meetings Attended
Mr. Gunjan Jain ID	Chairperson	1 of 1
Mr. Harish Kumar Gupta CWD	Member	1 of 1
Mr. Pawan Kumar Gupta MD	Member	1 of 1

(c) average net profits for the three immediately preceding years; 8,92,84,765

(d) prescribed CSR expenditure i.e. two percent of clause (c) above; 17,85,695

(e) details of amount spent on CSR during the year including total amount to be spent, amount unspent and manner in which the amount has been spent; NIL

(f) in case the prescribed CSR amount has not been spent, reasons for not spending the same;

The Company is making efforts to identify the projects for spending the unspent and carried forward CSR funds. All unspent CSR funds are carried forward for spending on CSR activities

(g) It is hereby confirmed that the implementation and monitoring of the CSR Policy, is in compliance with CSR objectives and policy of the Company.

Harish Kumar Gupta  
Chairman & Whole-Time Director  
DIN: 01323944  
Date: 25.06.2020  
Place: Jaipur

Gunjan Jain  
Chairperson of the CSR Committee  
DIN:07223400

## ANNEXURE 'F'

### FORM NO. MGT - 9

#### EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2020

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014

I	REGISTRATION & OTHER DETAILS :	
i	CIN	L17124RJ1996PLC011522
ii	Registration Date	05/02/1996
iii	Name of the Company	Bella Casa Fashion & Retail Limited
iv	Category/Sub-category of the Company	Company Limited by Shares / Non-government Company
v	Address of the Registered office & contact details	E-102, 103, EPIP, Sitapura Industrial Area, Jaipur- 302022 (Rajasthan) Tel- 0141-2771844 e-mail- info@bellacasa.in Website- www.bellacasa.in
vi	Whether listed company	Yes
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	KFin Technologies Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District Nanakramguda, Hyderabad 500 032 Tel- 91-40- 6716 2222

II	PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY		
	All the business activities contributing 10% or more of the total turnover of the company shall be stated.		
SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
	Manufacturing of Bed sheets, Quilts, home furnishing textile items, printed/dyed furnishing fabrics and garments	14101	100%

III	PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES				
S. No.	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	NIL	NIL	NIL	NIL	NIL

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)									
CATEGORY WISE SHAREHOLDING									
Category of Shareholders	No. of Shares held at the beginning of the year (01-04-2019)				No. of Shares held at the end of the year (31-03-2020)				
	Demat	Phy sical	Total	% of Total Shares	Demat	Phy sical	Total	% of Total Shares	% change during the year
A. Promoters									
(1) Indian									

a) Individual/HUF	7776862	0	7776862	67.77	7786862	0	7786862	67.86	0.09
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL:(A) (1)</b>	<b>7776862</b>	<b>0</b>	<b>7776862</b>	<b>67.77</b>	<b>7786862</b>	<b>0</b>	<b>7786862</b>	<b>67.86</b>	<b>0.09</b>
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>7776862</b>	<b>0</b>	<b>7776862</b>	<b>67.77</b>	<b>7786862</b>	<b>0</b>	<b>7786862</b>	<b>67.86</b>	<b>0.09</b>
<b>B. PUBLIC SHAREHOLDING</b>									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
C) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)									
<b>SUB TOTAL (B)(1):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>-</b>
(2) Non Institutions									
a) Bodies corporates									

i) Indian	148695	0	148695	1.30	136019	0	136019	1.19	-0.11
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	782970	0	782970	6.82	740859	0	740859	6.46	-0.37
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	2569406	0	2569406	22.39	2788329	0	2788329	24.30	1.91
c) Others (specify)									
Market Maker	300	0	300	0.00	0	0	0	0.00	0.00
Clearing members	59	0	59	0.00	299	0	299	0.00	0.00
NRI	174162	0	174162	1.52	86	0	86	0.00	-1.52
NRI NON-REPATRIATION	22546	0	22546	0.20	22546	0	22546	0.20	0.00
SUB TOTAL (B)(2):	<b>3698138</b>	<b>0</b>	<b>3698138</b>	<b>32.23</b>	<b>3688138</b>	<b>0</b>	<b>3688138</b>	<b>32.14</b>	<b>-0.09</b>
Total Public Shareholding (B)= (B)(1)+(B)(2)	<b>3698138</b>	<b>0</b>	<b>3698138</b>	<b>32.23</b>	<b>3688138</b>	<b>0</b>	<b>3688138</b>	<b>32.14</b>	<b>-0.09</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	<b>11475000</b>	<b>0</b>	<b>11475000</b>	<b>100.00</b>	<b>11475000</b>	<b>0</b>	<b>11475000</b>	<b>100.00</b>	<b>0.00</b>

**(ii) SHARE HOLDING OF PROMOTERS**

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged/ encumbered to total	NO of shares	% of total shares of the company	% of shares pledged encumbered to total	



				shares			shares	
1	Mr. Harish Kumar Gupta	1153414	10.05	0.00	1158414	10.10	0.00	0.04
2	Mr. Pawan Kumar Gupta	1116964	9.73	0.00	1121964	9.78	0.00	0.04
3	Mr. Gaurav Gupta	1057000	9.21	0.00	1057000	9.21	0.00	0.00
4	Mr. Saurav Gupta	1001975	8.73	0.00	1001975	8.73	0.00	0.00
5	Ms. Anita Gupta	980492	8.54	0.00	980492	8.54	0.00	0.00
6	Ms. Sunita Gupta	899492	7.84	0.00	899492	7.84	0.00	0.00
7	Ms. Neha Gupta	782525	6.82	0.00	782525	6.82	0.00	0.00
8	Ms. Shikha Gupta	702500	6.12	0.00	702500	6.12	0.00	0.00
9	Ms. Richa Agarwal	82500	0.72	0.00	82500	0.72	0.00	0.00
	Total	7776862	67.77	0.00	7786862	67.86	0.00	0.09

**(iii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	Harish Kumar Gupta				
	At the beginning of the year	1153414	10.05	1153414	10.05
	Purchase on 06.12.2019	5000	-	1158414	-
	At the end of the year	1158414	10.10	1158414	10.10

Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
2	Pawan Kumar Gupta				
	At the beginning of the year	1116964	9.73	1116964	9.73
	Purchase on 06.12.2019	5000	-	1121964	-
	At the end of the year	1121964	9.78	1121964	9.78

Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
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3	Gaurav Gupta	No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	1057000	9.21	1057000	9.21
	At the end of the year	1057000	9.21	1057000	9.21
Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
4	Saurav Gupta	No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	1001975	8.73	1001975	8.73
	At the end of the year	1001975	8.73	1001975	8.73
Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
5	Anita Gupta	No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	980492	8.54	980492	8.54
	At the end of the year	980492	8.54	980492	8.54
Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
6	Sunita Gupta	No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	899492	7.84	899492	7.84
	At the end of the year	899492	7.84	899492	7.84
Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
7	Neha Gupta	No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	782525	6.82	782525	6.82
	At the end of the year	782525	6.82	782525	6.82

Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
8	Shikha Gupta				
	At the beginning of the year	702500	6.12	702500	6.12
	At the end of the year	702500	6.12	702500	6.12
Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
9	Richa Agarwal				
	At the beginning of the year	82500	0.72	82500	0.72
	At the end of the year	82500	0.72	82500	0.72
(iv)	Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)				
Sl. No	Shareholder's Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1.	Charandeep Singh				
	At the beginning of the year (as on 01.04.2019)	572000	4.98	572000	4.98
	At the end of the year (as on 31.03.2020)	572000	4.98	572000	4.98
2.	Varun Daga				
	At the beginning of the year (as on 01.04.2019)	555000	4.84	555000	4.84
	Purchase on 13.12.2019	5000	-	560000	4.88
	Sale on 13.12.2019	-5000	-	555000	4.84
	At the end of the year (as on 31.03.2020)	555000	4.84	555000	4.84
3.	FALGUNI SHREYANS DAGA				
	At the beginning of the year (as on 01.04.2019)	0	0	0	0
	Purchase on 31.12.2019	238479	-	238479	2.08
	At the end of the year (as on 31.03.2020)	238479	2.08	238479	2.08

4.	Shreans Daga				
	At the beginning of the year (as on 01.04.2019)	229424	2.00	229424	2.00
	Purchase on 26.07.2019	9055	-	238479	2.08
	Sale on 31.12.2019	-238479	-	0	2.08
	At the end of the year (as on 31.03.2020)	0	0	0	0
5.	VINODKUMAR HARA KHAND DAGA				
	At the beginning of the year (as on 01.04.2019)	0	0	0	0
	Purchase on 06.12.2019	54261	-	54261	0.47
	Purchase on 28.02.2020	119841	-	174102	1.52
	At the end of the year (as on 31.03.2020)	174102	1.52	174102	1.52
6.	Nirajkumar Vinodkumar Daga				
	At the beginning of the year (as on 01.04.2019)	119841	1.04	119841	1.04
	Purchase on 13.02.2019	46939		166780	1.45
	Sale on 13.12.2019	-46939		119841	1.04
	Sale on 28.02.2020	-119841		0	0.00
	At the end of the year (as on 31.03.2020)	0	0	0	0.00
7.	Saurabh Bakliwal				
	At the beginning of the year (as on 01.04.2019)	105000	0.92	105000	0.92
	At the end of the year (as on 31.03.2020)	105000	0.92	105000	0.92
8.	Nilaykumar Vinodkumar Daga				
	At the beginning of the year (as on 01.04.2019)	90000	0.78	90000	0.78
	Purchase on 24.01.2020	11000	-	101000	0.88
	At the end of the year (as on 31.03.2020)	101000	0.88	101000	0.88
9.	Aparna Daga				
	At the beginning of the year (as on 01.04.2019)	90000	0.78	90000	0.78
	At the end of the year (as on 31.03.2020)	90000	0.78	90000	0.78
10.	Deepali Daga				
	At the beginning of the year (as on 01.04.2019)	90000	0.78	90000	0.78
	At the end of the year (as on 31.03.2020)	90000	0.78	90000	0.78



<b>(v) Shareholding of Directors &amp; KMP</b>					
Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
1	Harish Kumar Gupta	No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	1153414	10.05	1153414	10.05
	Purchase on 06.12.2019	5000	-	1158414	-
	At the end of the year	1158414	10.10	1158414	10.10
Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
2	Pawan Kumar Gupta	No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	1116964	9.73	1116964	9.73
	Purchase on 06.12.2019	5000	-	1121964	-
	At the end of the year	1121964	9.78	1121964	9.78
Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
3	Gaurav Gupta	No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	1057000	9.21	1057000	9.21
	At the end of the year	1057000	9.21	1057000	9.21
	At the end of the year	1057000	9.21	1057000	9.21
Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
4	Saurav Gupta	No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	1001975	8.73	1001975	8.73
	At the end of the year	1001975	8.73	1001975	8.73
Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
5	Naresh Manwani	No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	16701	0.15	16701	0.15
	Sale on 08.11.2019	-200		16501	
	At the end of the year	16501	0.14	16501	0.14

Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
6	Sharad Mangal				
	At the beginning of the year	0	0.00	0	0.00
	Purchase on 02.09.2019	4181		4181	0.04
	Purchase on 30.09.2019	828		5009	0.04
	At the end of the year	5009	0.04	5009	0.04

**Note: Except these stated above there are no other directors & KMPs hold any Shares of the Company during the financial year 2019-20.**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	46,40,01,794.00	0.00	0.00	46,40,01,794.00
ii) Interest due but not paid	17,83,562.00	0.00	0.00	17,83,562.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	46,57,85,356.00	0.00	0.00	46,57,85,356.00
Change in Indebtedness during the financial year				
- Addition	0.00	0.00	0.00	0.00
- Reduction	0.00	5,47,16,726.00	0.00	5,47,16,726.00
Net Change	46,57,85,356.00	-5,47,16,726.00	0.00	41,10,68,630.00
Indebtedness at the end of the financial year				
i) Principal Amount	46,57,85,356.00	-5,47,16,726.00	0.00	41,10,68,630.00
ii) Interest due but not paid	-18,39,672.00	0.00	0.00	-18,39,672.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ ii+ iii)	46,39,45,684.00	-5,47,16,726.00	0.00	40,92,28,958.00

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Harish Kumar Gupta	Pawan Kumar Gupta	Saurav Gupta	Gaurav Gupta	

1.	Gross salary (a)Salary as per provisions contained in section17(1) of the Income-tax Act,1961	24,36,000	24,36,000	24,36,000	24,36,000	97,44,000
	(b)Value of perquisites u/s 17(2)Income-tax Act, 1961					
	(c)Profits in lieu of salary undersection17(3)Income- taxAct,1961					
2.	Stock Option	NIL	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL	NIL
4.	Commission - as % of profit - Others, specify...	NIL	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total(A)	24,36,000	24,36,000	24,36,000	24,36,000	97,44,000
	Ceiling as per the Act	Managerial Remuneration is paid as per Schedule V of the Companies Act, 2013.				

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Vikas Mathur	Sharad Mangal	Kalpana Juneja	Gunjan Jain	
1.	Independent Directors ·Fee for attending board committee meetings ·Commission ·Others, please specify	3,000	19,500	7,500	19,500	49,500
	Total(1)					
2.	Other Non-Executive Directors ·Fee for attending board committee meetings ·Commission ·Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total(2)	NIL	NIL	NIL	NIL	NIL
	Total(B)=(1+2)	3,000	19,500	7,500	19,500	49,500

**C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a)Salary as per provisions contained in section17(1)of the Income-tax Act,1961 (b)Value of perquisites u/s 17(2)Income-tax Act,1961	-	3,44,373	6,70,133	10,14,506

	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as% of profit - others, specify...	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total	-	3,44,373	6,70,133	10,14,506

**VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT/ Court]	Appeal made. If any (give details)
<b>Company</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>Directors</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>Other Officers In Default</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-



## CORPORATE GOVERNANCE

The Directors present the Company's Report on code of Corporate Governance for the Year end March 31, 2020 in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

### Company's Philosophy on code of governance

The Philosophy of the Company on Corporate Governance lies in its concern to protect interests of various stakeholders, fair dealings with all and active contribution to the Society at large, while enhancing the wealth of shareholders. The processes of Company are directed to achieve compliance with the Code of Corporate Governance. Company's own policies and expectations include ethical conduct, protection of health, safety and environment and commitment to employees.

The Board of Directors ('the Board') is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under continuous review.

Your Company has complied with all applicable guidelines & regulations as stipulated by the Securities and Exchange Board of India pertaining to the Corporate Governance.

The Company continues to focus its resources, strengths and strategies to achieve the vision of becoming a Global leader in Textiles, Apparel, and Garmenting while upholding the core values of Quality, Trust, Leadership and Excellence.

### Governance Structure

The Corporate Governance structure at Bella Casa Fashion & Retail Limited is as follows:

**1. Board of Directors :** The Board is entrusted with an ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.

**2. Committees of the Board :** The Board has constituted the following Committees viz, Audit Committee, Remuneration and Nomination Committee, Shareholder's / Investors Grievance Committee and Corporate Social Responsibility Committee. Each of the said Committee has been mandated to operate within a given framework.

#### 1. Board of Directors

##### Composition & Category

The Board has a good mix of Executive and Non- Executive Directors including Independent Directors. The Board of Company as on the date of report consists of eight Directors comprising Chairman, Managing Director and two Executive Director who are also promoters and four Independent & Non-Executive Directors including a woman. The composition of the Board represents an optimal mix of professionalism, knowledge and experience in their respective fields.

The Board has identified the following skill set with reference to its Business and Industry which are available with the Board:

Name of the Director	Skill/Expertise/Competence
Mr. Harish Kumar Gupta	Understanding of complex business and regulatory environment, accountability, strategic planning with future vision, having decision making capabilities and ability for innovation.

Mr. Pawan Kumar Gupta	Knowledge of product, understanding of diverse business environment, changing socio-economic conditions and regulatory framework.
Mr. Saurav Gupta	Experience of accomplishing sales, understanding of market & consumers, contemporary marketing strategy, experience of international fashion trends, branding strategies, merchandising strategies and business promotion programme.
Mr. Gaurav Gupta	Takes care of procurement, production & logistics of our Company and provides strategic inputs to the administration for better materials, new designs and development, Marketing, Communication, Advertising of our products.
Mr. Sharad Mangal	Leadership experience of running large enterprise. Experience of operations with deep understanding of complex business processes, regulatory and governance environment, risk management and ability to visualize and manage change.
Mr. Gunjan Jain	Understanding the financial statements, financial controls.
Ms. Kalpana Juneja	Technical, professional skills and knowledge including legal and regulatory aspects.
Mr. Vikas Mathur	Understanding of Consumer behavior in diverse environments and conditions pertaining to business.

Membership(s) and date of joining the Board are provided herein below: -

Name of the Director	Director Identification Number (DIN)	Date of Appointment	Category	No. of Outside Directorship held in Indian Public Limited Companies	No. of position held in other Companies committee	
					Chairman	Member
Mr. Harish Kumar Gupta	01323944	05/02/1996	Chairman & Whole-Time Director	NIL	NIL	NIL
Mr. Pawan Kumar Gupta	01543446	05/02/1996	Managing Director	NIL	NIL	NIL
Mr. Saurav Gupta	07106619	20/03/2015	Whole-Time Director	1	NIL	3
Mr. Gaurav Gupta	07106587	20/03/2015	Whole-Time Director	NIL	NIL	NIL
Mr. Sharad Mangal	01127317	15/07/2015	Independent Director	NIL	NIL	NIL
Mr. Gunjan Jain	07223400	15/07/2015	Independent Director	NIL	NIL	NIL
Ms. Kalpana Juneja	07226135	15/07/2015	Independent Director	NIL	NIL	NIL
Mr. Vikas Mathur	07252879	31/07/2015	Independent Director	NIL	NIL	NIL

Notes:-

1. Mr. Harish Kumar Gupta, Mr. Pawan Kumar Gupta, Mr. Saurav Gupta and Mr. Gaurav Gupta are related to each other.
2. Details of Director(s) retiring or being re-appointed are given in notice to Annual General Meeting.
3. Brief profile of the Board Members is given in the website of the Company ([www.bellacasa.in](http://www.bellacasa.in))
4. Directorship exclude Private Limited Companies, Foreign Companies and Section 8 Companies.
5. Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders Relationship Committee in Indian Public Limited Companies other than Bella Casa Fashion & Retail Limited. Members of the Board of the Company do not have membership of more than ten Board-level Committees or Chairman of more than five such Committees.
6. Maximum tenure of Independent Directors is in accordance with the Companies Act, 2013 and rules made thereunder.

#### Independent Directors

All Independent Directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and Regulation 16(1) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfills the conditions of independence specified in section 149(6) of the Companies Act, 2013 and Regulation 16(1) of the Listing Regulations.

### Limit of Independent Directorship

As per Regulation 17A of the Listing Regulations, Independent Directors of the Company do not serve as Independent Director in more than seven Listed Companies. Further the Managing Director of the Company does not serve as an Independent Director in any listed entity.

### Board meetings and attendance :

The Board duly met ten times during the year. Notices of the meetings with agenda along with necessary details were sent to the Directors in time. Details of the Board meetings are given below:-

S. No.	Date	Board Strength	No. Of Directors Present
1.	27/05/2019	8	5
2.	06/07/2019	8	4
3.	14/08/2019	8	5
4.	14/11/2019	8	5
5.	26/11/2019	8	4
6.	12/02/2020	8	8
7.	14/03/2020	8	6

The names and categories of the Directors their attendance at the Board Meeting and last Annual General Meeting and Companies as on 31st March, 2020 are given as below:

Name of the Director	Board Meeting held during Tenure of Director	Board Meeting attended	Attendance at the Last Annual General Meeting
Mr. Harish Kumar Gupta	7	7	Present
Mr. Pawan Kumar Gupta	7	7	Present
Mr. Saurav Gupta	7	7	Present
Mr. Gaurav Gupta	7	7	Present
Mr. Sharad Mangal	7	3	Present
Mr. Gunjan Jain	7	4	Present
Ms. Kalpana Juneja	7	1	Present
Mr. Vikas Mathur	7	1	Leave sought

### Information to the Board

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of the SEBI Listing Regulations to the Board and the Board Committees to the extent applicable. All matters requiring Board's approval including statutory matters are put up for the consideration of the Board.

A detailed agenda folder is sent to each Director seven days in advance of the Board Meetings. All the agenda items are appended with by necessary supporting information and documents (except for price sensitive information, which was circulated separately before the meeting) to enable the Board to take informed decisions.

### Post Meeting Mechanism

The important decisions taken at the Board/Board Committee Meetings are communicated to the concerned department/division. The action taken report of the decisions of the Board / Committee is placed in the next meeting for review and reporting.

### Board Support

The Company Secretary attends the Board Meetings and advises the Board on Compliances with applicable laws and governance.

### Roles, Responsibilities and Duties of the Board

The duties of Board of Directors have been enumerated in Listing Regulations, Section 166 of the Companies Act, 2013 and Schedule IV of the said Act (Schedule IV is specifically for Independent Directors). There is a clear demarcation of responsibility and authority amongst the Board of Directors.

**The Chairman and Managing Director :**

Their primary role is to provide leadership to the Board in achieving goals of the Company in accordance with the charter approved by the Board. They are responsible for transforming the Company into a world-class organization that is dedicated to the well-being of each and every household, not only within India but across the globe, apart from leaving a fortunate legacy to posterity. Also, as the Chairman and Managing Director of the Board they are responsible for all the Board matters. They are responsible, inter-alia, for the working of the Board and for ensuring that all relevant issues are placed before the Board and that all Directors are encouraged to provide their expert guidance on the relevant issues raised in the meetings of the Board. They are also responsible for formulating the corporate strategy along with other members of the Board of Directors. Their role, inter alia, includes :

- Achieve goals in accordance with Company's overall vision.
- Ensure that Board decisions are aligned with Company's strategic policy.
- Oversee and evaluate the overall performance of Board and its members.
- Ensure to place all relevant matters before the Board and encourage healthy participation by all Directors to enable them to provide their expert guidance.
- Monitor the core Management team.

**The Executive Directors** are responsible for implementation of corporate strategy, brand equity planning, external contacts and other Management matters which are approved by the Board. They are also responsible for achieving the annual and long term business plans. Their role, inter alia, includes:

- Crafting of vision and business strategies of the Company.
- Clear understanding and accomplishment of Board set goals.
- Responsible for overall performance of the Company in terms of revenues & profits and goodwill.
- Acts as a link between Board and Management.
- Ensure compliance with statutory provisions under multiple regulatory enactments.

**Non-Executive Directors (Independent Directors)** plays a critical role in balancing the functioning of the Board by providing independent judgements on various issues raised in the Board Meetings like formulation of business strategies, monitoring of performances, etc. Their role, inter alia, includes:

- Impart balance to the Board by providing independent judgement.
- Provide feedback on Company's strategy and performance.
- Provide effective feedback and recommendations for further improvements.

**Familiarization programme for Directors**

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected from him as a Director of the Company. The Director is also explained in detail the Compliance required from him under Companies Act, 2013, the Listing Regulations and other various statutes and an affirmation is obtained. The Chairman and Managing Director also has a one to one discussion with the newly appointed Director to familiarize him with the Company's operations. Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, presentations are regularly made to the Independent Directors on various matters inter alia covering the Company's businesses and operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters. The details of the familiarization programme for Directors are available on the Company's website, viz. [www.bellacasa.in](http://www.bellacasa.in). The web link for the same is <http://www.bellacasaretail.com/docs/investors/POLICIES/Familiarization%20Policy.pdf>

**2. Governance Codes****Code of Business Conduct & Ethics**

The Company has adopted Code of Business Conduct & Ethics ("the Code") which is applicable to the Board of Directors and all Employees of the Company. The Board of Directors and the members of Senior Management Team of the Company are required to affirm semi-annual Compliance of this Code. A declaration signed by the Chairman and Managing Director of the Company to this effect is placed at the end of this report. The Code requires Directors and Employees to act honestly, fairly, ethically, and with integrity,

conduct themselves in professional, courteous and respectful manner. The Code is displayed on the Company's website viz. [www.bellacasa.in](http://www.bellacasa.in)

#### Conflict of Interests

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes during the year. The Members of the Board while discharging their duties, avoid conflict of interest in the decision making process. The Members of Board restrict themselves from any discussions and voting in transactions in which they have concern or interest.

#### Insider Trading Code

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015. The Insider Trading Policy lays down guidelines and procedures to be followed and disclosure to be made while dealing with shares of the Company as well as consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities. The insider trading policy covering code of practices and procedure of fair disclosures of unpublished price and information is available at

<http://www.bellacasaretail.com/docs/investors/CORPORATE%20GOVERNANCE/1.%20Code%20of%20Fair%20Disclosures.pdf>

#### Independent Directors

The Non-Executive Independent Directors fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the Listing Regulation.

#### Separate Meeting of Independent Directors

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the SEBI Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 14th day of March 2020 and Inter alia discussed:

- The performance of non-independent directors and the Board as a whole;
- The performance of the Chairman of the Company, taking into the account of the views of Executive Directors and Non-executive Directors; and
- The quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present in the meeting.

In addition to these formal meetings, interaction outside the Board Meeting also took place between the Chairman and independent Directors.

#### Shareholding of Non-Executive Directors as on March 31, 2020 is as under :

S. No.	Name	Number of share held	% of paid up capital
1.	Ms. Kalpana Juneja	Nil	–
2.	Mr. Sharad Mangal	5009	.04
3.	Mr. Gunjan Jain	Nil	–
4.	Mr. Vikas Mathur	Nil	–

#### 3. Disclosure of Accounting Treatment

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

#### 4. Policies

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has mandated the formulation of certain policies for all the listed Companies. All our corporate governance policies are available on our Website at [www.bellacasa.in](http://www.bellacasa.in).

All the policies are required to be updated based on need and new compliance requirements.



## 5. Performance Evaluation

A formal Evaluation Framework for evaluation of the Board's performance, performance of its Committees and individual Directors of the Company, including the Chairman of the Board, in terms of the requirement of the Act and the Listing Regulations, after taking into consideration the 'Guidance Note on Board Evaluation' dated January 5, 2017 issued by SEBI. In terms of the Evaluation Framework, the Board has carried out the annual performance evaluation of its own performance, the directors individually and the working of its Committees. Criteria for evaluation inter alia include providing strategic perspective, Chairmanship of the Board and its Committees, attendance and preparedness for the meetings, contribution at the meetings and role of the Committees.

The performance evaluation of the Chairman and Managing Director and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

## 6. Committee of the Board of Directors :

The Board of Directors has constituted four Committees viz.

- Audit Committee
- Nomination and Remuneration Committee
- Shareholder's / Investors Grievance Committee
- Corporate Social Responsibility Committee

### I. Audit Committee :

Audit committee of the Board has been constituted in terms of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 177 of the Companies Act, 2013. The role of Audit Committee is to provide direction and oversee internal audit and risk management function, review financial results and annual statements, interact with statutory auditors and such other matters as required under Companies Act, 2013, and SEBI Listing Regulations.

Audit Committee, during the year under review constituted and comprise of three members out of them two are independent Directors. Mr. Sharad Mangal- Non Executive-Independent Director is a Chairman of the Audit Committee, Mr. Gunjan Jain- Non Executive-Independent Director and Mr. Harish Kumar Gupta Whole-Time Director is member of the Committee.

### Terms of Reference

- Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
- Approving payment to statutory auditors for any other services rendered by the statutory auditors;
- Approving initial or any subsequent modification of transactions of the company with related parties;
- Scrutinizing inter-corporate loans and investments
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Monitoring the end use of funds raised through public offers and related matters
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - a. matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 134 of the Companies Act, 2013 ;
  - b. changes, if any, in accounting policies and practices along with reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgment by management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions; and
  - g. Qualifications in the audit report.

- Reviewing, with the management, the quarterly or half yearly and yearly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ Draft prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussing with the internal auditors any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors;
- Reviewing the functioning of the Whistle Blower mechanism, in case the same is existing;
- Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or contained in the equity listing agreements as and when amended from time to time.

### Meetings and Attendance

During the year 2019-20, Audit Committee met five times on 27th May, 2019, 14th August, 2019, 14th November, 2019, 12th February, 2020, 14th March, 2020. The maximum gap between two meetings was not more than 120 days. The necessary quorum was present for all Meetings. The details of attendance of the Audit Committee Meeting during the Financial Year 2019-20 are as follows:

Name of the Director	Status in the Committee	No. of Meetings Attended
Mr. Sharad Mangal ID	Chairman	4 of 4
Mr. Gunjan Jain ID	Member	4 of 4
Mr. Harish Kumar Gupta CWD	Member	4 of 4

\*ID – Independent Director, CWD –Chairman & Whole-Time Director

### II. Shareholder's / Investors Grievance Committee

The Company has formed Shareholder's/ Investor Grievance committee pursuant to the provisions of section 178 of the Companies Act, 2013 and requirement of the Listing Regulations. The committee is required to into the redressal of shareholders' and investors' complaints like transfer of shares, Non receipt of annual return, Non receipt of declared dividend etc.

The Shareholder's/ Investor Grievance committee comprises Ms. Kalpana Juneja, Mr. Sharad Mangal and Mr. Pawan Kumar Gupta. Ms. Kalpana Juneja acts as a Chairperson of the Shareholder's/ Investor Grievance committee.

#### Terms of Reference

Redressal of shareholders' and investors' complaints, including and in respect of:

- Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized.

- Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and
- Review the process and mechanism of redressal of Shareholders /Investors grievance and suggest measures of improving the system of redressal of Shareholders/Investors grievances.
- non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
- Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Probation of insider Trading) Regulations, 1992 as amended from time to time.
- Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting,
- Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

#### Meeting and Attendance :

During the year 2019-20, Shareholder's / Investors Grievance Committee met four times 27th May, 2019, 14th August, 2019, 14th November, 2019, 12th February, 2020. The maximum gap between two meetings was not more than 120 days. The necessary quorum was present for all Meetings.

The details of attendance of the Shareholder's / Investors Grievance Committee Meeting during the Financial Year 2019-20 are as follows:

Name of the Director	Status in the Committee	No. of Meetings Attended
Ms. Kalpana Juneja ID	Chairperson	2 of 4
Mr. Sharad Mangal ID	Member	2 of 4
Mr. Pawan Kumar Gupta MD	Member	4 of 4

\*ID – Independent Director, MD – Managing Director

Details of shareholders' complaints received, solved and pending share transfers:

The Company has not received any complaints during the year. Hence there were no complaints outstanding as on March 31, 2020.

### III. Nomination and Remuneration Committee

The Company has formed Nomination and Remuneration Committee pursuant to the provisions of section 178 of the Companies Act, 2013 and requirement of the Listing Regulations.

As on date remuneration committee comprise of three members who are independent and non-Executive Directors namely Ms. Kalpana Juneja Independent Director is a chairperson of the committee and Mr. Sharad Mangal and Mr. Gunjan Jain, Independent Director are members of the committee.

The Committee reviews and recommends the remuneration to be paid to the Managing Directors/ Whole Time Directors and Non-Executive Directors of the Company to the Board of Directors.

As on date the company has Managing Director, remuneration of the executive directors has been duly approve by committee. No remuneration was paid to non-executive directors excluding the sitting fees for attending the meeting of Board of Directors of committee thereof. The Chairman, Managing Director, Whole-Time Director are paid remuneration as per the terms and condition approved by the Board of Directors and shareholders.

Terms of Reference

- Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the Criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the board a policy relating to the remuneration for directors, KMPs and other employees.

- Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights.
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that

#### Meeting and Attendance:

During the year 2019-20, Nomination and Remuneration Committee met one time on 14th August, 2019. The necessary quorum was present for the Meeting.

The details of attendance of the Shareholder's / Investors Grievance Committee Meeting during the Financial Year 2019-20 are as follows:

Name of the Director	Status in the Committee	No. of Meetings Attended
Ms. Kalpana Juneja ID	Chairperson	0 of 1
Mr. Sharad Mangal ID	Member	1 of 1
Mr. Gunjan Jain ID	Member	1 of 1

\*ID – Independent Director

#### IV. Corporate Social Responsibility Committee

The Company has formed Corporate Social Responsibility Committee pursuant to the provisions of section 135 of the Companies Act, 2013, Companies (Corporate Social Responsibility Policy) Rules, 2014 and requirement of the Listing Regulations. The Company has formulated CSR Policy, which is uploaded on website of the Company and its link is <http://www.bellacasaretail.com/docs/investors/POLICIES/CSR%20Policy.pdf>

As on date committee comprise of three members who are independent and non-Executive Directors namely Mr. Gunjan Jain Independent Director is a chairperson of the committee and Mr. Harish Kumar Gupta, Whole-Time Director and Mr. Pawan Kumar Gupta, Managing Director are members of the committee.

#### Terms of Reference:

- Formulating and recommending to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company.
- Recommending the amount of expenditure to be incurred on the CSR activities.
- Monitoring the corporate social responsibility policy of the company from time to time

#### Meeting and Attendance:

During the year 2019-20, Corporate Social Responsibility Committee met one time on 12th February, 2020. The necessary quorum was present for the Meeting.

The details of attendance of the Corporate Social Responsibility Committee Meeting during the Financial Year 2019-20 are as follows:

Name of the Director	Status in the Committee	No. of Meetings Attended
Mr. Gunjan Jain ID	Chairman	1 of 1
Mr. Harish Kumar Gupta CWD	Member	1 of 1
Mr. Pawan Kumar Gupta MD	Member	1 of 1

\*ID – Independent Director, CWD – Chairman & Whole-Time Director, MD- Managing Director

#### 7. Remuneration Policy

##### Remuneration to Non-Executive Directors

The Non-Executive Directors has been paid remuneration by way of Sitting Fees. The Non-Executive Directors are paid sitting fees for each meeting of the Board or Committee of Directors attended by them.

The company pays sitting fees of one thousand five hundred rupees per Board meeting and for all committee meetings of the board thereof to Non-Executive Directors. The payment of the sitting fees is within the limit, approval of the shareholder is not required. The Non- Executive Independent Directors do not have any material pecuniary relationship or transactions with the Company.

### Remuneration to Executive Directors

The appointment and remuneration of Executive Directors including Chairman and Managing Director and Whole-time Director is governed by the recommendation of the Remuneration and Nomination Committee, resolutions passed by the Board of Directors and shareholders of the Company. Payment of remuneration to Executive Directors is governed by the respective Agreements executed between them and the Company. The remuneration package of Chairman and Managing Director and Whole-time Director comprises of salary, perquisites and allowances, and contributions to Provident and other Retirement Benefit Funds as approved by the shareholders at the General Meetings. Annual increments are linked to performance and are decided by the Remuneration and Nomination Committee and recommended to the Board for approval thereof. The Company policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent. Presently, the Company does not have a stock options scheme for its Directors.

The term of re-appointment of Executive Directors is for a period of 5 years from July 31, 2020 to July 30, 2025 subject to the approval of members of the Company. In the event of inadequacy of profits during the tenure the remuneration shall be allowed in compliance of the provisions of schedule V and in the event of continuation of inadequacy of profits for a continuous period of 3 years, the same shall be subject to review by shareholders.

### Remuneration to Key Managerial Personnel, Senior Management and other Staff :

Fixed pay: Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

### Details of Remuneration to all the Directors:

#### Details of Remuneration paid to Directors for the year ended 31st March, 2020:

Name of the Director	Salary, Allowance, Perquisites and other benefits	Commission	Stock Option	Pension	Sitting Fees Paid	Notice Period & Severance Fees
Mr. Harish Kumar Gupta	24,36,000	-	-	-	-	Three months' notice or three months' salary in lieu thereof.
Mr. Pawan Kumar Gupta	24,36,000	-	-	-	-	Three months' notice or three months' salary in lieu thereof.
Mr. Saurav Gupta	24,36,000	-	-	-	-	Three months' notice or three months' salary in lieu thereof.
Mr. Gaurav Gupta	24,36,000	-	-	-	-	Three months' notice or three months' salary in lieu thereof.
Mr. Sharad Mangal	-	-	-	-	19,500	-
Mr. Gunjan Jain	-	-	-	-	19,500	-
Ms. Kalpana Juneja	-	-	-	-	7,500	-
Mr. Vikas Mathur	-	-	-	-	3,000	-

The remuneration paid to Executive Directors is in line with Section II of Part II of Schedule V of Companies Act, 2013.

### 8. Role of the Company Secretary in overall governance process

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings. She interfaces between the



management and regulatory authorities for governance matters.

**9. Registrar and Share transfer agent**

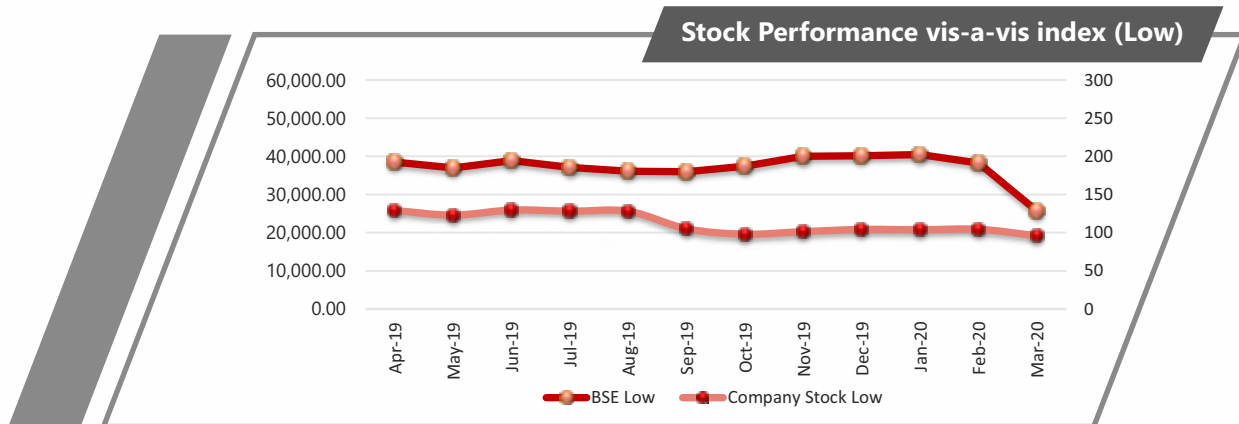
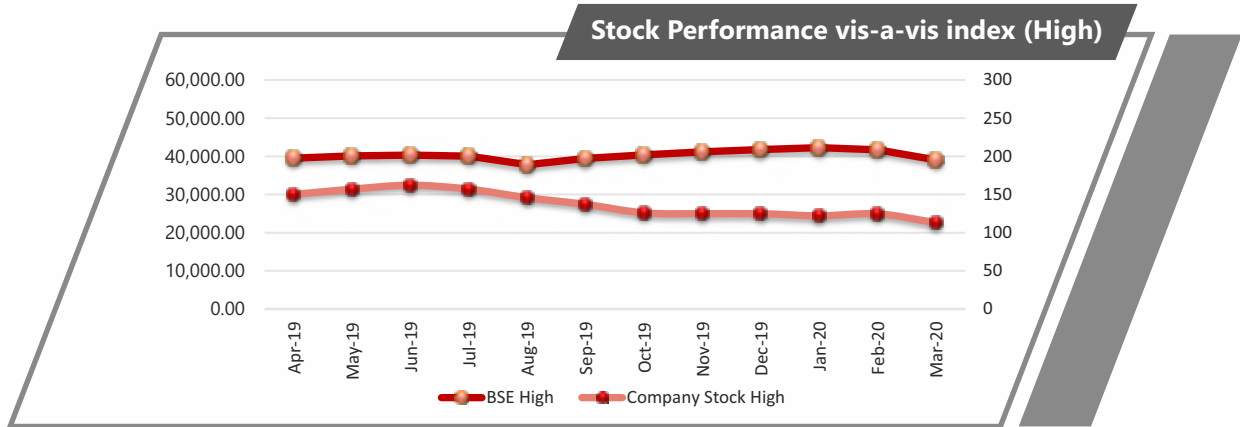
The Company has appointed M/s KFin Technologies Private Limited, Karvy Salenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032 as Share Transfer Agent.

**10. Market Price Data :**

BSE			
Month	High	Low	Volume (Nos.)
Apr-19	150.00	129.00	10157
May-19	157.00	123.00	35532
Jun-19	162.15	129.65	2617
Jul-19	157.00	128.15	133298
Aug-19	145.80	128.00	21052
Sep-19	137.00	105.10	6694
Oct-19	125.90	98.00	60398
Nov-19	124.85	101.40	19061
Dec-19	124.80	104.25	18561
Jan-20	122.05	103.80	39876
Feb-20	124.60	104.45	11850
Mar-20	113.00	95.95	2010

**Performance of the company vis-à-vis BSE Sensex during the year 2019-20**

Month	Company Stock	BSE SENSEX
Apr-19	150.00	39,487.45
May-19	157.00	40,124.96
Jun-19	162.15	40,312.07
Jul-19	157.00	40,032.41
Aug-19	145.80	37,807.55
Sep-19	137.00	39,441.12
Oct-19	125.90	40,392.22
Nov-19	124.85	41,163.79
Dec-19	124.80	41,809.96
Jan-20	122.05	42,273.87
Feb-20	124.60	41,709.30
Mar-20	113.00	39,083.17



## 11. Disclosures

### a) Related Party Transaction

The company has no material significant transaction with its related parties which may have potential conflict with the interest of the Company at large. The details of the transaction with the company and related parties are given for information under notes to the Accounts.

### b) Statutory compliances, penalties and Strictures

The company has complied with the statutory compliances and there is no penalty or strictures are imposed on the company by the Stock Exchange or Securities Exchange Board of India, any other statutory authority on any matter related to the capital market during the last year.

### c) Whistle Blower Policy

Pursuant to section 177(9) and (10) of Companies Act, 2013 and Regulation 22 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated Whistle Blower Policy/Vigil Mechanism for Directors and Employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. Link of the Policy is

<http://www.bellacasaretail.com/docs/investors/INVESTOR%20RELATIONS/Vigil%20Mechanism.pdf>

The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee.

### d) Disclosure of Accounting Treatment In the preparation of the Financial Statement,

The Company has followed the Indian Accounting Standards referred to in section 133 of the Companies Act, 2013. The Significant Accounting Policies which are consistently applied are set out in the Notes to the Financial Statements.

### e) Non-mandatory requirements

Adoption of Non-mandatory requirements of Listing Regulations is being reviewed by the Board from time-to-time.

### f) Risk Management

Business risk evaluation and management is ongoing process within the Company. The Assessment is periodically examined by the Board.

### g) Commodity Price Risk/Foreign Exchange Risk and Hedging Activities

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates. The company uses forward contracts to mitigate its risk from foreign currency fluctuations.

Derivative instruments and unhedged foreign currency exposure:-

#### i) Derivative outstanding as at the reporting date - Nil

The Company's investment consists of investments in nontraded (Un-quoted) company held for purposes other than trading. Such investments held in connection with non-consolidated investments represent a low exposure risk for the Company and are not hedged. As at 31st, March 2020 Company does not have material exposure to listed or unlisted equity price risk.

### h) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/network entity of which the statutory auditor is a part.

Details relating to fees paid to the Statutory Auditors of the Company are given in Note 31 to the Financial Statements.

- i) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The details of number of complaints filed and disposed of during the year and pending as on March 31, 2020 is given in the Director's Report.
- j) A certificate from a Company Secretary in practice that none of the Directors on the of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.  
The certificate of Company Secretary in practice is annexed herewith as a part of the report
- k) Where the board had not accepted any recommendation of any committee of the board, which is mandatorily required, in the relevant financial year.: - Not Applicable

**12. The Disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2) of Listing Regulations**

The Company has complied with all the mandatory corporate governance requirements under the Listing Regulations. The Company confirms compliance with corporate governance requirements specified in Regulation 17 to 27 and sub regulation (2) of Regulation 46 of the Listing Regulations.

**13. Name and address of the Compliance Officer**

Ms. Sonika Gupta Company Secretary and Compliance Officer  
Address: E-102, 103, Sitapura Industrial Area, Jaipur- 302 022 (Rajasthan)

**14. Status of complaint received, resolved and pending as on 31st March, 2020**

Number of shareholder's complaints received during the year	NIL
Number of shareholder's complaints resolved during the year	NIL
Number of shareholder's complaints pending at the end of the year	NIL

**14. General Body Meeting**

**Particulars of last three AGM**

Year	Date	Time	Place of Meeting	No. of Special Resolution Passed
2018-19	28.09.2019	12:00 P.M.	AS-1, EPIP, Sitapura Industrial Association Office, Above ICICI Bank, Sitapura Industrial Area, Jaipur, Rajasthan 302022	1. Approval of remuneration of Harish Kumar Gupta (DIN 01323944), Chairman & Whole-Time Director in terms of Regulation 17(6)(e) of SEBI Listing Regulations for the remaining tenure of his appointment. 2. Approval of remuneration of Mr. Pawan Kumar Gupta (DIN: 01543446) Managing Director in terms of Regulation 17(6) (e) of SEBI Listing Regulations for the remaining tenure of his appointment. 3. Approval of remuneration of Mr. Gaurav Gupta (DIN: 07106587) Whole-Time Director in terms of Regulation 17(6) (e) of SEBI Listing Regulations for the remaining tenure of his appointment. 4. Approval of remuneration of Mr. Saurav Gupta (DIN: 07106619) Whole-Time Director in terms of Regulation 17(6)(e) of SEBI Listing Regulations for the remaining tenure of his appointment:
2017-18	31.08.2018	12:00 P.M.		1. Revision in terms of remuneration of Mr. Harish Kumar Gupta (DIN- 01323944) Chairman & Whole-Time Director of the Company. 2. Revision in terms of remuneration of Mr. Pawan Kumar Gupta

Year	Date	Time	Place of Meeting	No. of Special Resolution Passed
			AS-1, EPIP, Sitapura Industrial Association Office, Above ICICI Bank, Sitapura Industrial Area, Jaipur, Rajasthan 302022	(DIN- 01543446) Managing Director of the Company. 3. Revision in terms of remuneration of Mr. Gaurav Gupta (DIN- 07106587) Whole-Time Director of the Company. 4. Revision in terms of remuneration of Mr. Saurav Gupta (DIN- 07106619) Whole-Time Director of the Company. 5. Enhancement of borrowing powers of the company under section 180(1)(c) 6. Creation of charge on company's properties under section 180(1)(a)
2016-17	12.08.2017	11:30 A.M.	AS-1, EPIP, Sitapura Industrial Association Office, Above ICICI Bank, Sitapura Industrial Area, Jaipur, Rajasthan 302022	1. Revision in terms of remuneration of Mr. Harish Kumar Gupta (DIN- 01323944) Chairman & Whole-Time Director of the Company. 2. Revision in terms of remuneration of Mr. Pawan Kumar Gupta (DIN- 01543446) Managing Director of the Company. 3. Revision in terms of remuneration of Mr. Gaurav Gupta (DIN- 07106587) Whole-Time Director of the Company. 4. Revision in terms of remuneration of Mr. Saurav Gupta (DIN- 07106619) Whole-Time Director of the Company.

No Extraordinary General Meeting of the Members was held during the year 2019-20.

There is no immediate proposal for passing any resolution through Postal Ballot. None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing the resolution through Postal Ballot.

Outstanding ADRs/ GDRs/ Warrants or any convertible instruments, conversion date and likely impact on equity

There are no outstanding warrants left for conversion. Pursuant to Conversion of warrants, allotment of 14,70,000 equity shares of face value of Rs. 10 has been made in the financial year 2018-19, consequently number of equity share increased from 1,00,05,000 to be 1,14,75,000.

#### Remote E-voting for Annual General Meeting

To allow the shareholders to vote on the resolutions proposed at the AGM, the Company has arranged remote e-voting facility. The Company has engaged CDSL to provide e-voting facility to all the members. Members whose name will appear on the register of members as on Wednesday, 23rd day of September, 2020 shall be eligible to participate in the e-voting.

#### ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR 2019-20

Day & Date	Wednesday, 30th day of September, 2020
Time	12:00 P.M.
Venue	Through Video Conferencing / Other Audio Visual Means as set out in the Notice convening the Annual General Meeting.
Book Closure Dates	Thursday, 24th September, 2020 to Wednesday, 30th September, 2020
Listing on Stock Exchange	BSE Ltd. (Main Board)
Stock Code	539399
ISIN Code	INE344T01014
CIN	L17124RJ1996PLC011522

#### 16. Share Transfer

The Board of Directors have delegated powers to the Registrar and Share Transfer Agents for effecting share transfers, splits, consolidation, sub-division, issue of duplicate share certificates, rematerialization and dematerialization etc., as and when such requests are received. Shares held in dematerialized form are traded electronically in the Depositories. As at March 31, 2020 no equity

shares were pending for transfer.

As per the requirement of Regulation 40(9) of the Listing Regulations, the Company has obtained the half yearly certificates from a Company Secretary in Practice for due compliance of share transfer formalities.

### 17. Dividend payment dates

The Board of Directors at their meeting held on 14th March, 2020, recommended an Interim Dividend of Rs. 1.20/- per equity share of face value of 10/- each, for the financial year ended 31st March, 2020 and was paid on 30th March, 2020.

### Dividend History

The Table below highlights the history of Dividend declared by the Company in the last 3 Financial Years.

Sr. No.	Financial Year	Type of Dividend	Date of Declaration of Dividend	Amount declared per share
1.	2015-16	Final	No Dividend Declared	Nil
2.	2016-17	Final	No Dividend Declared	Nil
3.	2017-18	Final	August 31, 2018	0.50 paisa
4.	2018-19	Final	September 28, 2019	₹1.00
5.	2019-20	Interim	March 14, 2020	₹1.20

### Unclaimed Dividend

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the Company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of section 125 of the Act. The details of unclaimed/unpaid dividend are available on the website of the Company viz. [www.bellacasa.in](http://www.bellacasa.in)

### Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/ unclaimed dividend on shares for a consecutive period of seven years

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

Therefore, it is in the interest of shareholders to regularly claim the dividends declared by the Company.

### Details of Unclaimed Dividend as on March 31, 2020 and due dates for transfer are as follows :

Sr. No.	Financial Year	Date of Declaration of Dividend	Unclaimed Amount (₹)	Due Date for transfer to IEPF Account
1.	2019-20 (Interim)	14.03.2020	37120.80	12.05.2027
2.	2018-19	28.09.2019	41420.00	01.12.2026
3.	2017-18	31.08.2018	24.50	01.11.2025

During the year under review, no amount was liable to be transferred to Investor Education and Protection Fund.

### 18. Reconciliation of Share Audit Report

The Company conducts a Reconciliation of Share Capital Audit on a quarterly basis in accordance with the Securities and Exchange Board of India (SEBI) requirements. The audit reports for the financial year under report have been filed with the stock exchanges within one month of the end of each quarter.



### 19. Listing on Stock Exchange

With effect from Thursday, March 08, 2018, the equity shares of Bella Casa Fashion & Retail Limited which were already listed under BSE SME Platform migrated & admitted to dealings on the Mainboard Platform in the list of 'B' Group.

Therefore currently the Equity Shares of the Company are listed on BSE Ltd. – Main Board.

### 20. Equity Evolution during the year

As at March 31, 2020 the paid-up equity share capital of your Company stands at 11,47,50,000 divided into 1,14,75,000 equity shares of face value of Rs. 10/- each. The Company has not issued any shares during the financial year.

### 21. Dematerialization of Shares

The shares of the Company are in demat form and are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL). As on 31st March 2020, 90,23,898 equity shares of the Company forming 78.64% of the share capital of the Company are held in electronic form through CDSL and 24,51,102 equity shares of Company forming 21.36% of the share capital of the Company are held in electronic form through NSDL.

### 22. Consolidation of folios and avoidance of multiple mailing

In order to enable the Company to reduce costs and duplicity of efforts for providing services to investors, members who have more than one folio in the same order of names, are requested to consolidate their holdings under one folio. Members may write to the Registrars & Transfer Agents indicating the folio numbers to be consolidated along with the original shares certificates to be consolidated.

### 23. Tentative Calendar for Financial year ending 2020-21

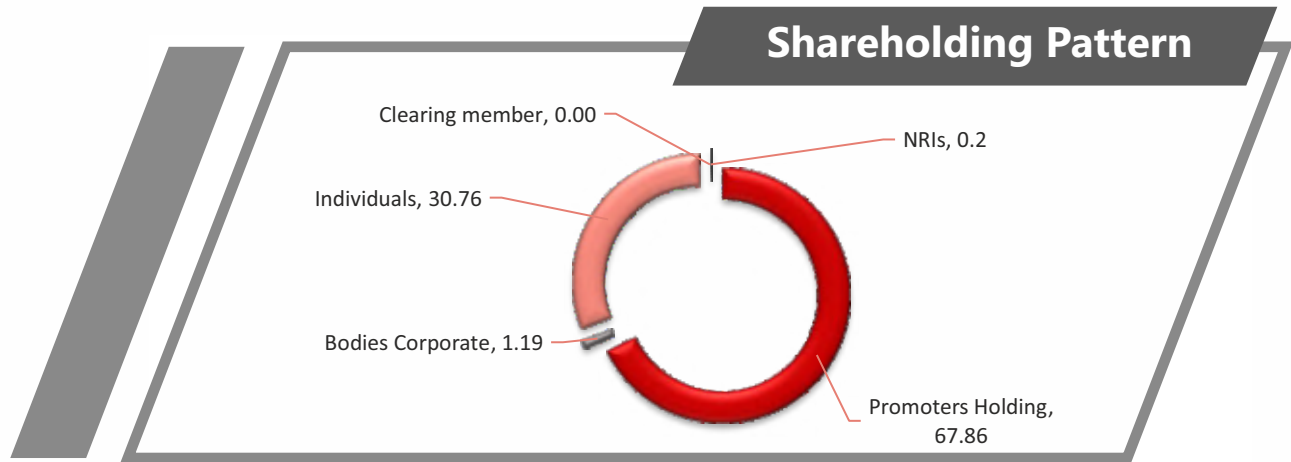
Sr. No.	Particulars of the quarter	Tentative Dates
1.	First Quarter Results	On or before August 14, 2020
2.	Second Quarter & Half Yearly Results	On or before November 14, 2020
3.	Third Quarter & Nine-months ended Results	On or before February 14, 2021
4.	Fourth Quarter & Annual Results	In April / May 2021

### 24. Distribution of Shareholding

Distribution range of Shares	No. of Cases	Percentage of cases	Total Shares	Amount	Percentage of Amount
upto 1 - 5000	214	40.607211	26,970	269,700	0.235033
5001- 10000	87	16.508539	76,058	760,580	0.662815
10001- 20000	47	8.918406	71,161	711,610	0.620139
20001- 30000	16	3.036053	40,599	405,990	0.353804
30001- 40000	14	2.656546	50,846	508,460	0.443102
40001- 50000	54	10.246679	256,758	2,567,580	2.237542
50001- 100000	39	7.400380	289,931	2,899,310	2.526632
100001 & ABOVE	56	10.626186	10,662,677	106,626,770	92.920932
<b>Total</b>	<b>527</b>	<b>100.00</b>	<b>11,475,000</b>	<b>114,750,000</b>	<b>100.00</b>

**25. Shareholding Pattern**

Categories	Number of share held	Percentage of shareholding
1. Promoters Holding	77,86,862	67.86
Sub Total (1)	77,86,862	67.86
2. Public Shareholding:-		
Institutions	0	0.00
Non Institutions		
a. Bodies Corp.	1,36,019	1.19
b. Individuals -		
(i) Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	10,03,830	8.75
(ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	25,25,358	22.01
c. Any other		
i. Clearing member	299	0.00
ii. Market maker	0	0.00
iii. Non- resident Indians	86	0.00
iv. Non Resident Indian Non Repatriable	22,546	0.20
Sub Total (2)	36,88,138	32.14
Grand Total (1+2)	1,14,75,000	100.00

**26. Service of documents through electronic mode**

As a part of Green Initiative, the members who wish to receive the notices/documents through e-mail, may kindly intimate their e-mail addresses to the Company's Registrar and Share Transfer Agent, Karvy Fintech Private Limited.

**27. Recommendation of any committee of the board**

Board had accepted recommendations of any committee of the board which is mandatorily required, in the relevant financial year.

**28. Electronic Clearing Service**

The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the Bank account details furnished by the Depositories for depositing dividends. Dividend will be credited to the Members' bank account through ECS wherever complete core banking details are available with the Company. In case where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrants and ensures safety for the investors. The Company complies with the SEBI requirement.

**29. Share transfer system**

As all the shares of the Company are held in dematerialized mode, the transfer takes place instantaneously between the transferor, transferee, and the Depository Participant through electronic debit/credit of the accounts involved. In compliance with the Listing Regulation, a Practicing Company Secretary carries out audit of the system and a certificate to that effect is issued.

**30. Nomination**

Nomination facility in respect of shares held in electronic form is available with the Depository Participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination form can be obtained from the Company's Registrar and Transfer Agent.

**31. Correspondence Address-**

Bella Casa Fashion & Retail Limited
Address : E 102-103, EPIP, Sitapura Industrial Area, Jaipur - 302022 (Raj.)
Phone No. : 0141-2771844
Email Id : info@bellacasa.in

**32. Means of communication**

The board of Directors approves and takes on the record quarterly, half yearly and annual financial results entered into the Performa prescribed under the listing agreement entered with the Stock exchange where the shares of the company are listed. These results are promptly submitted to the stock exchanges. These results are also displayed on Company's website www.bellacasa.in

The company's website www.bellacasa.in provides separate section for investors where relevant shareholder information is available. The Annual Reports of the Company are available on the website in a user friendly and downloadable form.

Annual Report is circulated to the members. The management discussion and Analysis Report and Corporate Governance Report are the part of Annual report.

The Company has appointed KFin Technologies Private Limited as Registrar and share transfer agent who are also authorized to taking care of investor's complaints. The company has created a separate email id whistleblower@bellacasa.in exclusively for resolving investor's grievances.

**DECLARATION****Compliance with the Code of Business Conduct and Ethics**

I Harish Kumar Gupta, Chairman & Whole-Time Director of the Company hereby confirm as per Regulations of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 that all the Board Members and Senior Management Personnel have affirmed with the code of conduct of the Financial Year ended March 31, 2020.

Date-25th June, 2020  
Place-Jaipur

For Bella Casa Fashion & Retail Limited  
Sd/-  
Harish Kumar Gupta  
Chairman & Whole-Time Director

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

**(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,

The Members,  
Bella Casa Fashion & Retail Limited  
E-102, 103 EPIP, Sitapura Industrial Area  
Jaipur - 302 022 (Rajasthan)

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Bella Casa Fashion & Retail Limited having CIN - L17124RJ1996PLC011522 and having registered office at E-102, 103 EPIP, Sitapura Industrial Area Jaipur - 302 022 (Rajasthan) (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S. No.	Name of the Director	Director Identification Number (DIN)	Date of Appointment
1.	HARISH KUMAR GUPTA	01323944	05.02.1996
2.	PAWAN KUMAR GUPTA	01543446	05.02.1996
3.	SHARAD MANGAL	01127317	15.07.2015
4.	GAURAV GUPTA	07106587	20.03.2015
5.	SAURAV GUPTA	07106619	20.03.2015
6.	GUNJAN JAIN	07223400	15.07.2015
7.	KALPANA JUNEJA	07226135	15.07.2015
8.	VIKAS MATHUR	07252879	31.07.2015

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

For Shailja Sharma & Associates  
Company Secretaries

Shailja Sharma  
(Proprietor)  
FCS 6872  
CP No. 7554  
UDIN:- F006872B000628471  
Place:- Jaipur  
Date:- 28.08.2020

## COMPLIANCE CERTIFICATE OF THE PRACTICING COMPANY SECRETARIES

To,

The Members,  
Bella Casa Fashion & Retail Limited  
E-102, 103 EPIP, Sitapura Industrial Area  
Jaipur - 302 022 (Rajasthan).

1. We have examined the compliance of conditions of Corporate Governance by Bella Casa Fashion & Retail Limited ("the Company"), for the year ended 31st March, 2020, as stipulated in:
  - Listing Agreement of the Company with the Stock Exchange(s)
  - SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations)
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof adopted, by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, the representation made by the directors and management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the year ended March 31, 2020.
4. We have to state that no investor grievance is pending for a period exceeding one month against the Company as per record maintained by the Company.
5. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Shailja Sharma & Associates  
Company Secretaries

Shailja Sharma  
Proprietor  
FCS No.:6872  
C.P. No. 7554  
Date: 28.08.2020  
Place: Jaipur

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### 1. COMPANY OVERVIEW

Your company is engaged in manufacturing and selling its brands in Fashion & Lifestyle industry.

As India closes in on becoming the world's sixth-largest fashion market, the opportunity for a vertically integrated company like yours to design, manufacture, brand and retail its products is humongous. Brunello Cucinelli, Ralph Lauren and Uniqlo are among the global brands that opened stores in India this year. Their prize? Access to an industry that McKinsey forecasts will be worth nearly US\$ 60 bn by 2022, while India's GDP is expected to increase 8 per cent year over year.

But winning over customers in Asia's third-largest economy requires a more tactful strategy than merely showing up, and new entrants can learn from past missteps. Neha Lidder, the founder of luxury retail brand advisory Platoon, says brands that don't succeed in India typically don't match the aesthetic preferences of most Indian shoppers.

Brands also struggle to account for the complexity of Indian wardrobes. Ethnic wear makes up 71 per cent of women's wear spending, and the sari is the single most popular item of clothing, according to Indian consultancy Technopak, but women also have separate wardrobes for socializing and work. "[Visiting] a woman's wardrobe here is like going to a mini department store," says Vogue India editor-in-chief Priya Tanna.

The fashion brands that thrive in India tailor their collections to local customers, respond to the complexities in Indian wardrobes and cater to different needs throughout the country's diverse markets.

#### Made for India

To resonate with Indian shoppers, all brands by Bell Casa have designed collections with their style in mind. This often translates into pieces unique to the market and partnerships with homegrown designers to get a local perspective. Nine years ago, Italian menswear brand Canali introduced a collection in its six Indian stores that included a Bandhgala, a closed collar suit standard in Indian men's wardrobes. The Nawab Collection — the Nawab, means viceroy in several Indian languages — has been successful, with new colours and fabrics added every season. In 2011, Hermès released a limited-edition sari in India. More recently, Giorgio Armani launched an exclusive Indian capsule collection of Achkan jackets for Autumn/Winter 2019. The first drop sold out. Our own brand "Nayak" is doing similar product lines and selling them successfully throughout India.

Collaborations with well-known designers also help, as India already has established luxury designers like Sabyasachi Mukherjee with whom wealthy shoppers have a history. For instance, the country has a reputation as a producer of hand embroidery. Bella Casa is looking to work with established homegrown talent to build on their efforts, instead of starting from scratch and potentially missing the mark. There are about "20 different India's", and each has its consumer preferences. Your company has been working on developing multiple product lines for decades for these different India's to create an emotional connection with customers. We want our brands to balance both their own aesthetic and local cultures.

#### Seeking Growth From E-commerce

For a relatively young business — online fashion sales in India were predicted in 2017 to reach a valuation of \$30 billion by the end of this year by Boston Consulting Group and Facebook, a fourfold increase - a forced shutdown could represent a turning point. Unlike in other countries like the US, where e-commerce retail across categories has been allowed to keep operating as stores close, India's lockdown is total for the fashion industry.

But as consumers spend more time online, and turn to e-commerce to buy more everyday items, that activity could bleed over into fashion purchases once the lockdown lifts, pushing more fashion brands in India to embrace e-commerce.

We believe e-commerce will be at the core of your company's business and growth plans. Mass fashion, previously dependent on experience-driven, bricks-and-mortar sales in India, has been quick to move online. According to a report by India's RedSeer Consulting in 2019, the fashion market was growing at a compound annual rate of 11 per cent, with online fashion growing at a CAGR of 32 per cent.

#### Indian Economic Overview

The International Monetary Fund slashed its FY21 growth projection for India to 1.9% from 5.8% projected in January, holding that the 'Great Lockdown' to combat the COVID-19 outbreak will throw the world economy into the worst recession since the Great Depression in 1930s. The corona virus pandemic came at a time when India's economy was already slowing, due to persistent



financial sector weaknesses. The severe disruption of economic activities caused by COVID-19, both through demand and supply shocks, has overtaken the incipient recovery in the Indian economy leading to massive job losses

Assuming a baseline scenario, in which the pandemic fades in the second half of 2020 and containment efforts are gradually unwound, the IMF in its biannual World Economic Outlook projected the global economy to contract sharply by 3% in 2020, much worse than during the 2008-09 financial crisis. For India, it estimated a sharp economic recovery in FY22 at 7.4%.

### **Indian Apparel Industry**

The Indian apparel industry was estimated to be worth \$62 Billion in 2019 and is projected to reach ~\$129 Billion in 2029 growing at CAGR of ~7.6% over 2019-29 period. The Indian apparel sector is one of the fastest growing in the world, backed as it is by a robust demand growth. The country's apparel market is driven mainly by menswear, which commands a 42% share of the total market. Women's wear holds a 37% share while kids' wear account for 21% of the apparel market.

The major challenges in the Indian apparel industry are increasing competition, sustained discounting that is expected to moderate margins and product obsolescence due to ever-evolving fashion trends.

### **Indian Retail Sector**

Globally, India figures among the top 10 retail markets. Its retail industry growth is predominantly supported by expanding consumption patterns, rising income levels and improved lifestyle choices. With a dynamic demographic shift powered by young consumers, the demand is expected to remain positive. Moreover, the growing penetration of mobile and internet across the interiors of India has led to a significant rise in e-commerce shopping.

Bella Casa Fashion & Retail Limited is the most deeply penetrated retail networks in India and its products are now available in more than 4000 outlets across India.

### **Indian Home Textiles Industry Overview**

The year has been not without turbulence. There has been an economic slowdown leading to fewer footfalls in stores. E-commerce traffic is growing as shoppers prefer to order online. Domestic Home Textile category continues to evolve rapidly in India. Increased penetration of organized retail is likely to drive demand for home textiles. GST implementation has helped the organized retailers by reducing the influx of cheap alternatives from abroad and the domestic unorganized industry. While on one hand, the influence of competitively priced private labels in Modern Trade and E-com market places is bringing in new value conscious consumers to the industry; on other hand, fashion-led premium consumer's preferences are switching over to product made from high-end fabrics and innovative designs. Today's consumer is clearly drawing a distinction between the value-led and the fashion focussed goods.

### **Impact of Covid-19 Pandemic on Textile & Apparel Industry**

The Indian textile and apparel industry has been adversely impacted in the short to mid-term due to lockdown and lower consumer spends. The sector is reeling under liquidity and cost pressure as well due to the unprecedented damage caused by COVID-19.

Taking into account India's position as a preferred destination for sourcing textile and apparel products by leading brands worldwide, Indian garmenting sector is getting impacted with deferment and cancellation of orders.

### **Bella Casa's Response to COVID-19**

Government of India imposed a 21-day national lockdown starting from March 22nd, 2020. All business activity, including manufacturing, transport, and retail of goods came to a standstill. This abrupt halt of business activities coupled with the spread of a dangerous pandemic like Covid-19 in all major districts of India has had a detrimental effect on our business.

Sales have felt short of budgeted targets in FY20 and continue to be uncertain for H1FY21. Fixed costs like interest and salary will impact the profitability of Q4FY20 and H1FY21. Recovery of debtors has slowed down, but there are no incidences of non-payment. Stock clearance is taking more than expected time and thus will lead to a high level of stock holding in H1FY21.

The liquidity position of the company is comfortable. Despite this pandemic, we will discharge all our statutory liabilities on time. Repayments to the bank and interest payments continue to be on schedule.

As a response, we have taken considerable cost-cutting measures including renegotiation of rent agreement, salary agreements with

directors and senior management of the company, payment terms with vendors and other actions converting possible fixed cost to variable costs. Further company has also started manufacturing of masks and PPE kits to generate revenue during the lockdown period.

The situation remains uncertain, and full recovery is dependent on control of pandemic.

**Growth Enablers**

Rapid urbanisation, a high disposable income of the Indian households and a favourable demographic coupled with an aspiration based purchasing pattern are key drivers for the industry and are likely to benefit the Company. With growing mobile and internet penetration, e-commerce shopping is expected to act as a key enabler in consistent sales volume growth for the industry. The Company has a strong focus on digital platforms, strong social media connect with consumers and has an increasing presence in the e-commerce space. While the Company is attuned to judicious capital allocation strategies and sustainable growth, Company continues to work towards achieving cost efficiencies and provide its customers the best experience.

(Source: IMF, Technopak, IBEF, Invest India, National investment Promotion & Facilitation Agency)

**2. OPPORTUNITY AND THREATS**

OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>The Indian textile industry is set for strong growth, buoyed by both strong domestic consumption as well as export demand</li> <li>Urbanization is expected to support higher growth due to change in fashion &amp; trends</li> </ul>	<ul style="list-style-type: none"> <li>100 per cent FDI (automatic route) is allowed in the Indian textile sector</li> <li>Increased Competition from Local &amp; Big Players.</li> <li>Our operations are in unorganized sector, is prone to changes in government policies.</li> </ul>

**3. SEGMENT REVIEW**

During FY 2019-20, despite challenging business environment your Company's total sales registered a growth of 11.07%, Net Revenue being 16353.72 Lacs in FY 2020 as against 14723.50 Lacs in FY 2019. Return on net worth of the Company in FY 2020 is 7.98% as against 8.15% in the FY 2019.

**4. RISK AND RISK MITIGATION**

**Financial Risks**

The Company's policy is to actively manage its foreign exchange risk within the framework laid down by the Company's forex policy approved by the Board. Given the interest rate fluctuations, the Company has adopted a prudent and conservative risk mitigation strategy to minimize interest costs.

**Commodity Price Risks**

Volatility in prices of raw materials, energy inputs and finished goods may adversely impact profitability. The Company proactively manages these risks through forward booking, inventory management and proactive vendor development practices. The Company's reputation for quality, product differentiation and service, coupled with existence of powerful brand image with robust marketing network mitigates the impact of price risk on finished goods.

**Interest Rate Risk**

Any increase in interest rate can affect the finance cost. The Company is mitigating these risks through Continuous monitoring of interest rate trends.

**Regulatory Risks**

The Company is exposed to risks attached to various statutes and regulations. The Company is mitigating these risks through regular review of legal compliances carried out through internal as well as external compliance audits.

### Human Resources Risk

Your Company's ability to deliver value is dependent on its ability to attract, retain and nurture talent. Attrition and non-availability of the required talent resources can affect the performance of the Company. The Company is mitigating these risks by Continuous benchmarking of the best HR practices across the industry and carrying out necessary improvements to attract and retain the best talent and Regular review, monitoring and engagement on personal development plans of high performers and high potential employees.

### 5. OUTLOOK

The outlook for the Indian textile industry continues to be positive. The factors which contribute to the India advantage are expected to continue over the medium term. This is expected to help India enhance its market share further in the other key geographies.

### 6. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has in place internal control systems and procedures commensurate with the size and nature of its operations. Internal control processes which consist of adopting appropriate management systems and implementing them are followed. These are aimed at giving the Audit Committee a reasonable assurance on the reliability of financial reporting and statutory & regulatory compliances, effectiveness and efficiency of your Company's operations. The Internal Control Systems are reviewed periodically and revised to keep in tune with the changing business environment.

### 7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Company recorded total revenue of Rs. 16353.72 during the year under review as against Rs. 14723.50 in the previous year thereby registering growth of 11.07 %. The profit after tax for the year ended 31st March, 2020 is Rs. 913.07 as against Rs. 877.59 in the previous year showing growth of 4.04%.

### 8. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company firmly believes that motivated and empowered employees are the cornerstone of competitive advantage. The Company's employee value proposition is based on a strong focus on employee development, providing a satisfying work environment, performance appraisal and counseling and appropriate empowerment.

The Company continues to maintain and enjoy a cordial relationship with its employees, providing positive environment to improve efficiency with regular investments in upgrading the knowledge and skills of the employees

### 9. MARKETING STRATEGIES

- **Further widening of our customer base**

With the growing opportunities available in the market, we will endeavour to continue to grow our business by adding new customers in existing and new geographies, new market segments. We are looking towards expanding customer base in Middle East countries. We are also making efforts and diagnosing the domestic markets for our own brands product. With the widening of the customer base for our own Brand product we can leverage the production capacity and the experience of our production team. We aim to do this by effectively leveraging our marketing skills and relationships and focusing on total customer orientation.

- **Reduction of operational costs and achieving efficiency**

Apart from expanding business and revenues we have to look for areas to reduce costs and achieve efficiencies in order to remain a cost competitive company. We try to reduce the wastages and control the production on the production floor through effective supervision. Our focus has been to reduce the operational costs to gain competitive edge.

- **To build-up a professional organization**

We believe in transparency, commitment and coordination in our work, with our suppliers, customers, government authorities, banks, financial institutions etc. We have a blend of the experience and the sufficient staff for taking care of our day to day operations.

We also consult with external agencies on a case to case basis on technical and financial aspects of our business. We wish to make it more sound and strong in times to come.

- **Focus on cordial relationship with our Suppliers, Customer and employees**

We believe that developing and maintaining long term sustainable relationships with our suppliers, customers and employees will help us in achieving the organizational goals, increasing sales and entering into new markets.

- **Optimal Utilization of Resources**

Our Company constantly endeavors to improve our production process, skill up-gradation of workers, modernization of machineries to optimize the utilization of resources. We analyze our existing raw material procurement policy and manufacturing processes to identify the areas of bottlenecks and take corrective measure wherever possible. This helps us in improving efficiency and putting resources to optimal use.

## 10. CAUTIONARY STATEMENT

The statements in the "Management Discussion and Analysis Report" section describes the Company's objectives, projections, estimates, expectations and predictions, which may be "forward looking statements" within the meaning of the applicable laws and regulations. The annual results can differ materially from those expressed or implied, depending upon the economic and climatic conditions, Government policies and other incidental factors.

For and on the behalf of the Board of Directors

Sd/-

Harish Kumar Gupta  
Chairman & Whole- Time Director

DIN: 01323944

Date: 05.09.2020

Place: Jaipur

## WHOLE -TIME DIRECTOR / CHIEF FINANCIAL OFFICER CERTIFICATE

To,  
The Board of Directors,  
Bella Casa Fashion & Retail limited,  
Jaipur.

We undersigned in our respective capacities as Chairman & Whole-Time Director and Chief Financial Officer of Bella Casa Fashion & Retail Limited to the best of our knowledge hereby certify that:

- a) We have reviewed financial Statements and cash flow Statement for the Financial for the Financial Year ended March 31, 2020 and that to the best of our knowledge and belief:
- i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b) There are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We are responsible for establishing and maintaining internal control for financial reporting and that we have evaluate the effectiveness of the internal control system of the Company pertaining to financial reporting and we have disclosed to the Auditors of and the Audit committee, deficiencies in the design or operation of such controls, if any, of which we are aware and steps we have taken or propose to take to rectify these deficiency.
- d) We have indicated to the Auditors and Audit committee:
- i) significant changes, if any, in internal control over financial reporting during the year;
  - ii) significant changes, if any, in accounting policies during the year and;
  - iii) instance of significant fraud of which we have become aware and the involvement therein, if any, of the management or employee having significant role in the company's internal control system over financial reporting.

Sd/-  
Harish Kumar Gupta  
Chairman & Whole-Time Director  
DIN: 01323944

Sd/-  
Naresh Manwani  
Chief Financial Officer

Place: Jaipur  
Date: 25.06.2020

## INDEPENDENT AUDITORS' REPORT

### To the Members of Bella Casa Fashion & Retail Limited Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying Standalone Financial Statements of Bella Casa Fashion & Retail Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity 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 Companies Act, 2013 ("the Act") in the manner so required, and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind As") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("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.

#### Emphasis of Matter

We draw attention to Note 42 of the standalone financial statements which describes management's assessment of the impact of the COVID 19 pandemic on the financial statements of the Company. Our opinion is not modified in respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How the matter was addressed in our audit
<p><b>1. Valuation of Inventories</b></p> <ul style="list-style-type: none"> <li>The net carrying value of inventory as on 31st March, 2020 constitutes 50.17% of Total Assets of the company.</li> <li>Sales in the industry can be extremely volatile with consumer demand changing significantly (Seasonal) based on current trends. As a result, there is a risk that the carrying value of inventory exceeds its net realizable value.</li> </ul> <p>Hence, we determined the valuation of inventories as a key audit matter.</p>	<p><b>Our audit procedure :</b></p> <ul style="list-style-type: none"> <li>We have performed the Inventory physical stock count on sample basis. We performed inventory counts at location, which is selected based on financial significance and risk and we performed the following procedures at each site:               <ol style="list-style-type: none"> <li>Selected a sample of inventory items and compared the quantities we counted to the quantities recorded.</li> <li>Observed a sample of management's inventory count procedures to assess compliance with Company's policy, and</li> <li>Made inquiries regarding obsolete inventory items and inspected the condition of items counted.</li> </ol> </li> <li>We have also evaluated a selection of controls over inventory existence across the company.</li> </ul>



<p>Related Disclosures: Please refer to Point 5 of Significant accounting policies for details of the accounting policies of inventories and Note No. 7 for relevant disclosures of inventories of the independent auditors report.</p>	<ul style="list-style-type: none"> <li>• Examining the Company's historical trading patterns of inventory sold at full price and inventory sold below full price, together with the related margins achieved for each product lines in order to gain comfort that stock has not been sold below cost.</li> <li>• Evaluating the rationality of the inventory policies such as the policy of provision for inventory valuation and obsolescence and understanding whether the valuation of inventory was performed in accordance with the Company's policy.</li> <li>• Inspecting the post period sales situation and evaluating the net realizable value of measurement applied on aging inventory in order to verify the evaluation accuracy of the estimated inventory allowance by the Company and</li> <li>• Assessing whether the disclosures of provision for inventory valuation and obsolescence were appropriate.</li> <li>• Obtained an understanding of management's estimate of business impact of COVID 19 pandemic on provision on inventories.</li> </ul>
<p><b>2. Trade Receivables</b></p> <ul style="list-style-type: none"> <li>• The recoverability of trade receivables and the level of provisions for doubtful debts are considered to be a significant risk due to the pervasive nature of these balances to the financial statements, and the importance of cash collection with reference to the working capital management of the business.</li> <li>• At 31st March, 2020 the trade receivables balances (net of provisions) consist of 31.04% of the total amount of assets of the company. Since the Trade receivables constitute the substantial part of the assets of the company, they are determined as the key audit matters.</li> </ul> <p>Related Disclosures : Please refer to Point 19 of Significant accounting policies for details of the accounting policies of accounts receivable and Note No. 8 for relevant disclosures of accounts receivable of the independent auditors' report.</p>	<p><b>Our audit procedure :</b></p> <ul style="list-style-type: none"> <li>• Assessed the design and implementation of key controls around the monitoring of recoverability.</li> <li>• Discussed with the management regarding the level and ageing of trade receivables, along with the consistency and appropriateness of receivables provisioning by assessing recoverability with reference to cash received in respect of trade receivables.</li> <li>• In addition, we have considered the Company's previous experience of bad debt exposure and the individual counter-party credit risk.</li> <li>• Tested these balances on a sample basis through agreement to post period end invoicing and cash receipt.</li> <li>• The accuracy and completeness was verified through, cut-off test, analytical reviews and balance confirmation.</li> <li>• Analyzing the aging schedule of trade receivable, past collection records, industry boom and concentration of customers' credit risk.</li> </ul>
<p><b>3. Revenue Recognition</b></p> <ul style="list-style-type: none"> <li>• Revenue is an important measure used to evaluate the performance of the Company. There is a risk that the revenue is presented for amounts higher than what has been actually generated by the Company. Consequently, we considered revenue recognition to be a significant key audit matter.</li> </ul> <p>Related Disclosures : Refer Point 10 of Significant accounting policies for details of the accounting policies of Revenue Recognition and Note No. 24 for relevant disclosures of</p>	<p><b>Our audit procedure :</b></p> <ul style="list-style-type: none"> <li>• Assessing the design, implementation existence and operating effectiveness of internal control procedures implemented as well as test of details to ensure accurate processing of revenue transactions.</li> <li>• Inspecting underlying documentation for any book entries which were considered to be material or met other specified risk-based criteria on a sample basis.</li> <li>• Inspecting the key terms and conditions of agreements with major customers on a sample basis to assess if there were any terms and conditions that may have affected the accounting treatment of the revenue recognition.</li> </ul>

<p>Revenue Recognition of the independent auditors' report.</p>	<ul style="list-style-type: none"> <li>The accuracy and completeness of revenue was verified through, cut-off test, analytical reviews and balance confirmation.</li> </ul>
<p><b>4. External Confirmation</b>                  COVID-19 has impacted the procedure of external confirmation request to vendors and customers at the year-end and therefore, positive external confirmation request was sent through electronic mode. However, due to suspension of business activities of the many confirming parties, most confirmations were not received.</p> <p>The Company seeks and had sought confirmations from vendors and customers during the year.</p> <p>In such events, we auditors performed alternative audit procedures.</p> <p>This matter is considered to be key audit matter given the circumstances of the year-end confirmations under COVID-19 vis-à-vis non-COVID-19 scenario.</p>	<p><b>Our audit procedure :</b>                  Our audit procedures included, the following :</p> <ul style="list-style-type: none"> <li>Revised assessed risk and modify our audit procedures to mitigate these risks;</li> <li>Obtained a reliable assurance pertaining to transactions with confirming parties, in sense for accurate and complete process of routine and significant classes of transactions such as revenue, purchases, etc.;</li> <li>Selected samples and tested the effectiveness of controls related to accuracy and completeness of transactions in totality considering the frequency and regularity of transactions;</li> <li>Performed alternative audit procedures like                         <ul style="list-style-type: none"> <li>- For accounts receivable balances : scrutiny of ledger accounts and verification of subsequent receipts;</li> <li>- For accounts payable balances : scrutiny of ledger accounts and other documents/records, such as bills from vendors supported by goods received notes.</li> </ul> </li> </ul>

**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 the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. The other information as identified above is expected to be made available to us after the date of this auditor's report.

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

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

When we read the other information as identified above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

**Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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.

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

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

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

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in

the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2016 ("the order) issued by the Central Government in terms of Section 143(11) of the act, we give in "Annexure I" a statement on the matters specified in paragraph 3 and 4 of the Order
- 2) As required by section 143(3) of the Act, based on our audit we report :
  - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion and to the best of our information and according to the explanations given to us, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the 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 Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of written representations received from the directors, as on March 31, 2020 and taken on record by the Board of Directors, none of the Directors are disqualified as on March 31, 2020, 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 Company and the operating effectiveness of such controls, refer to Annexure 'II' to this report.
  - (g) With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended :

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - (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 impact of pending litigations on its financial position in its standalone financial statements. (Refer Note No. 41).
    - ii. The Company did not have any long term contracts including derivative contracts, for which there were any material foreseeable losses.
    - iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

For Vikas Jain & Associates  
Chartered Accountants  
FRN: 006803C

[Jugal Kishore Tank]  
Partner  
Membership No. - 424524

Place: Jaipur  
Date: 25th June, 2020  
UDIN: 20424524AAAAAR3686

## ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in paragraph (1) of 'Report on other Legal and Regulatory Requirements' of our Independent Auditors' Report of even date to the members of the Bella Casa Fashion & Retail Limited, Jaipur on the Standalone financial statements for the year ended on 31st March, 2020, we report that :

- (i)
  - a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets (Property, Plant and Equipments).
  - b) As explained to us, the fixed assets (Property, Plant and Equipments) have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c) Based on our verification and according to information and explanations given to us, the title deeds of immovable properties are held in the name of the company except for the I and II Floor of building premises constructed on the land situated at Plot No. E-103, EPIP, Sitapura Industrial Area, Jaipur, the land appurtenant thereto is owned to M/s Gupta Exports, a firm in which Companies Promoters are partners and such land has been taken by company on lease.
- (ii) As per the information and explanation given to us, the Company's management has carried out physical verification of inventory at regular intervals. No material discrepancies were noticed on such physical verification.
- (iii) The Company has not granted any loans, secured or unsecured to any companies, firms, limited liability partnership or other parties covered in register maintained under section 189 of the Companies Act, 2013 hence reporting under (iii)(a), (iii)(b) and (iii)(c) is not applicable.
- (iv) The Company has not granted any loans or given any guarantee and security covered under section 185 of the Act. In respect of investments made, Company has complied with the provisions of section 186 of Act.
- (v) The company has not accepted deposits from the public within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the rules made there under, hence this clause is not applicable.
- (vi) We have broadly reviewed the accounts and records maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 read with Companies (Cost Records & Audit) Rules, 2014 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made detailed examination of the records with a view to determine whether they are accurate and complete.
- (vii)
  - a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of accounts in respect of undisputed statutory dues including provident fund, employee state insurance, income tax, sales tax, service tax, goods & service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities and there are no undisputed dues outstanding as on 31st March 2020 for a period of more than six months from the date they became payable.
  - b) According to the information and explanations given to us, there are no unpaid dues of income tax, sales tax, service tax, Goods & Services Tax duty of customs, duty of excise or value added tax under dispute.
- (viii) Based on examination of books of accounts and information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to a financial institution or bank. Company has not issued any debentures, hence nothing is due to debenture holders.
- (ix) According to the information and explanations given to us the company has not raised money by way of initial public offer or

further public offer and the money raised by the company by way of term loan have been applied for the purpose for which they were obtained.

- (x) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no material fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) The company is not a Nidhi Company, hence reporting under this clause is not applicable.
- (xiii) The Company has complied with the provisions of Section 177 and 188 of the Act w.r.t. transactions with the related parties, wherever applicable. Details of the transactions with the related parties have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- (xiv) According to the information and explanations given to us and on the basis of the books and records examined by us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, reporting under paragraph 3(xiv) of the Order is not applicable.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him as covered under section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provision of clause 3(xvi) of the order is not applicable to the company.

For Vikas Jain & Associates  
Chartered Accountants  
FRN: 006803C

[Jugal Kishore Tank]  
Partner  
Membership No.- 424524

Place: Jaipur  
Date: 25th June, 2020  
UDIN: 20424524AAAAAR3686



## Annexure "II" forming part of Independent 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").

We have audited the internal financial controls with reference to standalone financial statements of Bella Casa Fashion & Retail Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

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

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to standalone financial statements 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 standalone 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 with reference to standalone financial statements.

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial controls with reference to standalone financial statements 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 controls with reference to standalone financial statements 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 standalone 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 unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

**Inherent Limitations of Internal financial controls with reference to standalone financial statements**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2020, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Vikas Jain & Associates  
Chartered Accountants  
FRN: 006803C

[Jugal Kishore Tank]  
Partner  
Membership No.- 424524

Place: Jaipur  
Date: 25th June, 2020  
UDIN: 20424524AAAAAR3686

<b>BELLA CASA FASHION &amp; RETAIL LIMITED</b>			
<b>STANDALONE BALANCE SHEET AS AT 31ST MARCH 2020</b>			
(Amount in Lakhs)			
Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	2	1,170.56	1,124.29
(b) Capital Work-In-Progress	2	33.87	5.89
(c) Right of use assets	2A	183.27	-
(d) Intangible Assets	3	10.63	13.62
<b>(e) Financial Assets</b>			
(i) Investments	4	0.15	0.15
(ii) Other Financial Assets	5	4.88	4.88
(f) Other Non-Current Assets	6	34.35	289.61
<b>Sub-total - Non-Current Assets</b>		<b>1,437.72</b>	<b>1,438.44</b>
<b>Current Assets</b>			
(a) Inventories	7	6,143.10	6,161.60
<b>(b) Financial Assets</b>			
(i) Trade Receivables	8	3,800.61	4,614.51
(ii) Cash and Cash Equivalents	9	15.77	56.73
(iii) Bank balances other than above (ii)	10	646.29	78.24
(iv) Other Financial Assets	11	5.04	16.61
(c) Income Tax Asset (Net)	23	47.44	-
(d) Other Current Assets	12	145.23	191.31
<b>Sub-total - Current Assets</b>		<b>10,803.48</b>	<b>11,119.01</b>
Assets held for sale	2B	3.00	-
<b>Total Assets</b>		<b>12,244.20</b>	<b>12,557.45</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	13	1,147.50	1,147.50
(b) Other Equity	14	4,366.41	3,754.98
<b>Sub-total - Equity</b>		<b>5,513.91</b>	<b>4,902.48</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	15	56.28	100.36
(ii) Lease Liability		185.82	-
(b) Provisions	16	29.11	53.40
(c) Deferred Tax Liabilities (Net)	17	44.54	52.61
<b>Sub-total - Non-Current Liabilities</b>		<b>315.75</b>	<b>206.37</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			

(i) Borrowings	18	4,092.29	4,543.55
(ii) Lease Liability		1.15	-
(iii) Trade Payables	19		
- Total Outstanding Dues of Micro Enterprises & Small Enterprises		38.01	395.35
- Total Outstanding Dues of Creditors other than Micro Enterprises & Small Enterprises		2,016.85	2,202.81
(iv) Other Financial Liabilities	20	136.91	196.61
(b) Other Current Liabilities	21	79.20	92.41
(c) Provisions	22	50.12	17.86
(d) Current Tax Liabilities (Net)	23	-	0.01
<b>Sub-total - Current Liabilities</b>		<b>6,414.54</b>	<b>7,448.61</b>
<b>Total Equity and Liabilities</b>		<b>12,244.20</b>	<b>12,557.45</b>

**Significant Accounting Policies, Notes on Accounts and other disclosures from Note No. 1 to 48 forming part of these financial statements.**

**For and on behalf of the Board of Directors  
of Bella Casa Fashion & Retail Limited**

**Harish Kumar Gupta**  
Chairman & Whole Time Director  
DIN: 01323944

**Pawan Kumar Gupta**  
Managing Director  
DIN: 01543446

**Naresh Manwani**  
Chief Financial Officer

**Sonika Gupta**  
Company Secretary  
M.No. 38676

As per our report of even date attached  
**For Vikas Jain & Associates**  
Chartered Accountants  
FRN-006803C

**(Jugal Kishore Tank)**  
Partner  
M. No. 424524

**PLACE : JAIPUR**

**DATE : 25-JUNE-2020**

<b>BELLA CASA FASHION &amp; RETAIL LIMITED</b>			
<b>STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2020</b>			
<b>(Amount in Lakhs)</b>			
<b>Particulars</b>	<b>Note No.</b>	<b>Year Ended</b>	
		<b>31st March 2020</b>	<b>31st March 2019</b>
<b>Income</b>			
Revenue from operations	24	16,314.23	14,684.73
Other income	25	39.49	38.78
<b>Total Income (I)</b>		<b>16,353.72</b>	<b>14,723.50</b>
<b>Expenses:</b>			
Cost of materials consumed	26	8,105.23	7,110.66
Direct Manufacturing Expenses	27	6,332.53	5,573.25
Changes in inventories of finished goods and Work-in-progress	28	(824.84)	(731.07)
Employee benefits expense	29	394.65	387.94
Finance costs	30	482.38	422.50
Depreciation and Amortisation Expense	2	109.84	98.52
Other expenses	31	543.35	627.15
<b>Total expenses (II)</b>		<b>15,143.13</b>	<b>13,488.95</b>
<b>Profit before exceptional items and tax (III) = (I-II)</b>		<b>1,210.59</b>	<b>1,234.56</b>
Exceptional Item (net) (IV)		-	-
<b>Profit before tax (V) = (III+IV)</b>		<b>1,210.59</b>	<b>1,234.56</b>
<b>Tax expense:</b>			
Current tax		306.35	353.20
Income tax for earlier year		0.34	2.18
Deferred tax		(9.18)	1.59
<b>Total Tax Expenses (VI)</b>		<b>297.51</b>	<b>356.97</b>
<b>Profit for the period (VII) = (V)-(VI)</b>		<b>913.07</b>	<b>877.59</b>
<b>Other Comprehensive Income</b>			
A. Items that will not be reclassified to profit or loss			
- Actuarial gains/(losses) on defined benefit plans		3.81	35.00
- Tax relating to Net actuarial gains/(losses) on defined benefit plans		(1.11)	(10.19)
B. Items that will be reclassified to profit or loss (net of tax)			
			-
<b>Total Other Comprehensive Income for the period (VIII)</b>		<b>2.70</b>	<b>24.81</b>
<b>Total Comprehensive Income for the period (IX) = (VII+VIII)</b> <b>(Comprising Profit and Other Comprehensive Income for the year)</b>		<b>915.78</b>	<b>902.40</b>
<b>Earnings per equity share: (Face value per Equity Share of Rs. 10 each) (In Rs.)</b>	32		
(1) Basic		7.98	8.15

(2) Diluted		7.98	7.89
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**Significant Accounting Policies, Notes on Accounts and other disclosures from Note No. 1 to 48 forming part of these financial statements.**

**For and on behalf of the Board of Directors  
of Bella Casa Fashion & Retail Limited**

As per our report of even date attached

**For Vikas Jain & Associates**

Chartered Accountants

FRN-006803C

**Harish Kumar Gupta**

Chairman & Whole Time Director

DIN: 01323944

**Pawan Kumar Gupta**

Managing Director

DIN: 01543446

**(Jugal Kishore Tank)**

Partner

M. No. 424524

**Naresh Manwani**

Chief Financial Officer

**Sonika Gupta**

Company Secretary

M.No. 38676

PLACE : JAIPUR

DATE : 25-JUNE-2020



## BELLA CASA FASHION &amp; RETAIL LIMITED

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2020

PARTICULARS	(Amount in Lakhs)			
	For the Year ended 31st March 2020		For the Year ended 31st March 2019	
	Details	Amount	Details	Amount
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES:-</b>				
Net Profit Before Tax as per Statement of Profit and Loss		1,210.59		1,234.56
<b>Adjusted for:</b>				
Depreciation/amortization expenses	109.84		98.52	
Actuarial gains/(losses) on defined benefit plans (Gross of Tax)	3.81		35.00	
Loss by fire	-		0.78	
Loss on Sale of Fixed Asset	0.03		-	
Provision for Impairment on asset held for sale	12.13		-	
Interest Received	(39.47)		(31.73)	
Dividend Received	(0.02)		(0.02)	
Interest Paid	471.11	557.44	415.76	518.32
<b>Operating Profit before Working Capital Changes</b>		<b>1,768.03</b>		<b>1,752.87</b>
<b>Adjusted for:</b>				
(Increase)/Decrease in Trade Receivables & other receivable	871.55		(866.20)	
(Increase)/Decrease in Inventories	18.50		57.85	
(Increase)/Decrease in Bank balances other than cash & cash equivalents	(568.04)		502.11	
Increase/(Decrease) Trade Payables and Other current/Non-Current Liabilities	(634.82)		(1,193.70)	
		<b>(312.81)</b>		<b>(1,499.94)</b>
<b>Cash Generated from operations</b>		<b>1,455.21</b>		<b>252.94</b>
Income Tax Paid (Inflow)/Outflow	(354.27)		(363.17)	
		(354.27)		(363.17)
<b>Net Cash Flow From Operating Activities (A)</b>		<b>1,100.95</b>		<b>(110.23)</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Property, Plant & Equipment	(191.52)		(145.45)	
Sale of Property, Plant & Equipment	1.57		-	
Investment in Fixed Deposit	255.26		(110.91)	
Dividend Received	0.02		0.02	
Interest Received	39.47		31.73	
<b>Net Cash used in investing activities (B)</b>		<b>104.79</b>		<b>(224.62)</b>
<b>(C) NET CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds From Borrowings	-		387.30	
Repayment of Borrowings	(496.94)		(538.67)	
Proceeds from Issue of Shares	-		948.15	
Payment of Dividend including DDT	(276.04)		(62.54)	
Payment of Lease Liability	(19.80)		-	
Interest Paid	(453.93)		(415.76)	
<b>Net cash flow from Financing Activities (C)</b>		<b>(1,246.70)</b>		<b>318.49</b>
<b>Net Increase/ (Decrease) in cash and cash equivalent (A+B+C)</b>		<b>(40.96)</b>		<b>(16.36)</b>
Opening balance of cash and cash equivalents		56.73		73.09
<b>Closing balance of cash and cash equivalents</b>		<b>15.77</b>		<b>56.73</b>
Note:- Cash & Cash Equivalent consists of Following:-				
		<b>As at 31.03.2020</b>		<b>As at 31.03.2019</b>
Cash on Hand		8.16		6.76
Balance With Banks		7.61		49.97
		<b>15.77</b>		<b>56.73</b>

**Note:**

1. The above Statement of Cash Flow has been prepared under the 'Indirect Method' for Cash Flow From Operating Activities as set out in Ind AS 7 'Statement of Cash Flows'.
2. Refer Note No. 43 for details of undrawn borrowings facilities that may be available for the future operating activities and to settle future capital commitment.
3. Figures in bracket indicate cash outflow.

**For and on behalf of the Board of Directors  
of Bella Casa Fashion & Retail Limited**

As per our report of even date attached  
**For Vikas Jain & Associates**  
Chartered Accountants  
FRN-006803C

**Harish Kumar Gupta**

Chairman & Whole Time Director  
DIN: 01323944

**Pawan Kumar Gupta**

Managing Director  
DIN: 01543446

**(Jugal Kishore Tank)**

Partner  
M. No. 424524

**Naresh Manwani**

Chief Financial Officer

**Sonika Gupta**

Company Secretary  
M.No. 38676

PLACE : JAIPUR

DATE : 25-JUNE-2020

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2020

<b>A. Equity Share Capital</b>						
( Amount in Rs.)						
Particulars			As at 31st March, 2020	As at 31st March, 2019		
Balance at the beginning of the year			1,147.50	1,000.50		
Issued during the year			-	147.00		
Balance at the end of the year			1,147.50	1,147.50		
<b>B. Other Equity</b>						
( Amount in Rs.)						
Particulars	Capital Reserve	Securities Premium Reserve	Share Warrants	Retained Earnings Surplus as per the statement of P&L	Equity attributable to Shareholders of the Company	
<b>Balance as at 1st April 2018</b>	<b>6.32</b>	<b>698.40</b>	<b>316.05</b>	<b>1,093.43</b>	<b>2,114.19</b>	
Profit for the period	-	-	-	877.59	877.59	
Other comprehensive income	-	-	-	24.81	24.81	
<b>Total Comprehensive Income for the Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>902.40</b>	<b>902.40</b>	
Securities Premium on Share Capital Issue	-	-	-	-	-	
Amount received against share warrants*	-	-	948.15	-	948.15	
Transfer to Equity Share Capital on conversion of warrants*	-	-	(147.00)	-	(147.00)	
Transfer to Securities Premium on conversion of warrants*	-	-	(1,117.20)	-	(1,117.20)	
Securities Premium received on conversion of warrants*	-	1,117.20	-	-	1,117.20	
Depreciation for the year (Charged to Capital Reserve)	(0.76)	-	-	-	(0.76)	
Depreciation for the year (Transfer to Retain Earnings)	-	-	-	0.76	0.76	
Deferred Tax Expense on above	-	-	-	(0.22)	(0.22)	
Dividend on equity shares paid during the year	-	-	-	(51.88)	(51.88)	
Dividend distribution tax paid during the year	-	-	-	(10.66)	(10.66)	
<b>Balance as at 31st March 2019</b>	<b>5.55</b>	<b>1,815.60</b>	<b>-</b>	<b>1,933.83</b>	<b>3,754.98</b>	
<b>Balance as at 1st April 2019</b>	<b>5.55</b>	<b>1,815.60</b>	<b>-</b>	<b>1,933.83</b>	<b>3,754.98</b>	
Profit for the period	-	-	-	913.07	913.07	
Other comprehensive income	-	-	-	2.70	2.70	
<b>Total Comprehensive Income for the Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>915.78</b>	<b>915.78</b>	
Dividend on equity shares paid during the year	-	-	-	(252.45)	(252.45)	
Dividend distribution tax paid during the year	-	-	-	(51.89)	(51.89)	
<b>Balance as at 31st March 2020</b>	<b>5.55</b>	<b>1,815.60</b>	<b>-</b>	<b>2,545.26</b>	<b>4,366.41</b>	

\*For details of conversion of warrants refer Note No. 14.2.

<p><b>For and on behalf of the Board of Directors of Bella Casa Fashion &amp; Retail Limited</b></p> <p><b>Harish Kumar Gupta</b> Chairman &amp; Whole Time Director DIN: 01323944</p> <p><b>Pawan Kumar Gupta</b> Managing Director DIN: 01543446</p> <p><b>Naresh Manwani</b> Chief Financial Officer</p> <p><b>Sonika Gupta</b> Company Secretary M.No. 38676</p> <p>PLACE : JAIPUR DATE : 25-JUNE-2020</p>	<p>As per our report of even date attached</p> <p><b>For Vikas Jain &amp; Associates</b> Chartered Accountants FRN-006803C</p> <p><b>(Jugal Kishore Tank)</b> Partner M. No. 424524</p>
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**Note No. 1 : Company Information and Significant Accounting Policies****A. Corporate Information**

Bellacasa Fashions & Retail Limited (the "Company") is a Company domiciled in India and limited by shares (CIN: L17124RJ1996PLC011522). The shares of the Company are publicly traded on the BSE Limited (Dealings on the SME Platform of Exchange from October 15, 2015 to March 08, 2018 and then migrated & admitted to dealings on the Mainboard Platform). The address of the Company's registered office is E-102, 103 EPIP, Sitapura industrial area, Jaipur, Rajasthan 302022, India. The Company is engaged in manufacturing of home furnishings/home madeups, women ethnic wear and men's ethnic wear.

The standalone financial statements, as reviewed and recommended by the Audit Committee, have been approved by the Board of Directors in their meeting held on June 25, 2020.

**B. Statement of Compliance and Basis of Preparation****1. Statement of Compliance**

The standalone financial statements are prepared on going concern basis following accrual basis of accounting and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent notified and applicable).

**2. Basis of measurement/Use of Estimates**

The financial statements have been prepared on accrual basis under the historical cost basis except for certain financial assets and liabilities (including derivative instruments) that are measured at fair value (refer accounting policy regarding financial instruments). The methods used to measure fair values are discussed further in Notes no. 42 to financial statements.

The preparation of financial statements requires judgments, estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized. Major Estimates are discussed in Part E.

**3. Functional and presentation currency**

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest Lakhs (upto two decimals), except as stated otherwise.

**4. Current and non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current.

**C. Significant accounting policies**

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

**1. Property, plant and equipment****1.1. Initial recognition and measurement**

An item of property, plant and equipments recognized as an asset if and only if it is probable that future economic benefits

associated with the item will flow to the company and the cost of the item can be measured reliably.

Items of property, plant and equipment are initially recognized at cost. Subsequent measurement is done at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition, inclusive of non-refundable taxes & duties, necessary for it to be capable of operating in the manner intended by management.

When parts of an item of property, plant and equipment have different useful lives, they are recognized separately.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized. Other spare parts are carried as inventory and recognized in the statement of profit and loss on consumption.

#### **1.2. Subsequent costs**

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized.

The costs of the day-to-day servicing of property, plant and equipment are recognized in statement of profit or loss as incurred.

#### **1.3. Derecognition**

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on de-recognition of an item of property, plant and equipment are determined by comparing the proceeds from disposal, if any, with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

#### **1.4. Depreciation/amortization**

Depreciation is recognized in statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leasehold lands are amortized over the lease term unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

Where it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably, subsequent expenditure on a PPE along-with its unamortized depreciable amount is charged off prospectively over the revised useful life.

In circumstance, where a property is abandoned, the cumulative capitalized costs relating to the property are written off in the same period.

### **2. Capital work-in-progress**

The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.

### **3. Intangible assets**

#### **3.1. Initial recognition and measurement**

An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the company and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Company, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

#### **3.2. Subsequent costs:**

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

#### **3.3. De-recognition**

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains & losses on de-recognition of an item of intangible assets are determined by comparing the proceeds from disposal, if any, with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

### 3.4. Amortization

Intangible assets having definite life are amortized on straight line method in their useful lives. Useful life of computer software is estimated at five years.

### 4. Assets Held for Sale

Non-current assets and disposal group are classified as "Held for Sale" if their carrying amount is intended to be recovered principally through sale rather than through continuing use. The condition for classification of "Held for Sale" is met when the non-current asset or the disposal group is available for immediate sale and the same is highly probable of being completed within one year from the date of classification as "Held for Sale". Non-current assets and disposal group held for sale are measured at the lower of carrying amount and fair value less cost to sell. Non-current assets and disposal group that ceases to be classified as "Held for Sale" shall be measured at the lower of carrying amount before the non-current asset and disposal group was classified as "Held for Sale" adjusted for any depreciation/ amortization and its recoverable amount at the date when the disposal group no longer meets the "Held for sale" criteria.

### 5. Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction/ development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which necessarily take substantial period of time to get ready for their intended use or sale.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of (a) interest expense calculated using the effective interest method as described in Ind AS 109 – 'Financial Instruments' (b) finance charges in respect of finance leases recognized in accordance with Ind AS 17 – 'Leases' and (c) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized as an expense in the year in which they are incurred.

### 6. Inventories

"Inventories are valued at the lower of cost and net realizable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Spare parts other than those capitalized as Property, Plant and Equipment are carried as inventory. The diminution in the value of obsolete, unserviceable and surplus stores & spares is ascertained on review and provided for."

### 7. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### 8. Government grants

"Government grants are recognized only when its reasonable certainty that economics benefit flow to the entities and attached conditions will be compiled with it. Government grants are recognized and shown in the balance sheet as liability and income is accrued based on the terms of schemes in the statement of profit and loss over a phased manner in consideration with scheme terms and related use of assets. Government grants related to depreciable property, plant & equipment is treated as deferred income which is recognised in the Statement of Changes in Equity (SOCE) on a systematic and rational basis over the useful life of the asset i.e. such grants is allocated to income over the periods and in the proportion in which depreciation on those assets is charged."

### 9. Provisions and contingent liabilities and Contingent Assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance costs.



The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

#### **10. Foreign currency transactions and translation**

Transactions in foreign currencies are initially recorded at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss in the year in which it arises.

Non-monetary items measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

#### **11. "Revenue recognition"**

The Company derives revenues primarily from sale of manufactured goods and related services.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Company recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale. Therefore, a refund liability, included in other current liabilities, are recognized for the products expected to be returned.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue in excess of invoicing are classified as contract asset while invoicing in excess of revenues are classified as contract liabilities.

#### **Other income**

Interest income is recognized, when no significant uncertainty as to measurability or collectability exists, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR). Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realization.

When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Dividend income is recognized in profit or loss on the date that the Company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

#### **12. Employee benefits**

##### **12.1. Short-term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under performance related pay if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

## **12.2. Post-Employment benefits**

Employee benefit that are payable after the completion of employment are Post-Employment Benefit (other than termination benefit). These are of two type:

### **12.2.1. Defined contribution plans**

Defined contribution plans are those plans in which an entity pays fixed contribution into separate entities and will have no legal or constructive obligation to pay further amounts. Provident Fund and Employee State Insurance are Defined Contribution Plans in which the Company pays a fixed contribution and will have no further obligation.

### **12.2.2. Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

"Company pays Gratuity as per provisions of the Gratuity Act, 1972. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid. The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a liability to the company, the present value of liability is recognized as provision for employee benefit. Any actuarial gains or losses are recognized in Other Comprehensive Income ("OCI") in the period in which they arise."

## **13. Income tax**

"Tax expense comprises current tax and deferred tax. Current tax expense is recognized in the statement of profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in OCI or equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years. Current taxes are recognized under 'Income tax payable' net of payments on account, or under 'Tax receivables' where there is a debit balance. Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously. Deferred tax is recognized in the statement of profit or loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Additional income taxes that arise from the distribution of dividends are recognized at the same time that the liability to pay the related dividend is recognized."

## **14. Leases**

### **14.1. As lessee**

Accounting for finance leases

Leases of Property, Plant and Equipment where the Company, as lessee has substantially all risks and rewards of ownership are classified as finance lease. On initial recognition, assets held under finance leases are recorded as Property, Plant and Equipment and the related liability is recognized under borrowings. At inception of the lease, finance leases are recorded at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability.

Accounting for operating leases

"Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating lease. Payments made under operating leases are recognized as an expense over the lease term."

**15. Impairment of non-financial assets**

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

**16. Dividends**

Dividends and interim dividends payable to a Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

**17. Material Prior Period Errors**

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest prior period presented, the opening balances of assets, liabilities and equity for the earliest prior period presented, are restated.

**18. Earnings per share**

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

**19. Statement of Cash Flows**

Cash flow statement is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of Cash Flows' for operating activities.

**20. Financial instruments**

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in statement of profit and loss.

**20.1 Financial assets**

On initial recognition, a financial asset is recognised at fair value. All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI) depending on the classification of the financial assets.

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

**Trade Receivables and Loans:**

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

**Equity Instruments:**

"All investments in equity instruments classified under financial assets are initially measured at fair value. The Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by instrument basis. Fair value changes on an equity instrument is recognised in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised in the Statement of Profit and Loss."

**Derecognition**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of financial assets

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

ECL is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

- a. All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- b. Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

**20.2. Financial liabilities and equity instruments**

**Classification as equity**

Equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**Equity instruments**

"An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments."

**Financial liabilities**

"Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit or loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method. All financial liabilities are subsequently measured at amortized cost using the effective interest method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss. Interest expense are included in the 'Finance costs' line item. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest

expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition."

**Derecognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

**Derivative financial instruments**

The Company uses forwards to mitigate the risk of changes in interest rates, exchange rates and commodity prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss. The counterparty for these contracts is generally a bank.

**D. Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

**E. Major Estimates made in preparing Financial Statements****1. Useful life of property, plant and equipment and intangible assets**

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Useful life of the assets other than Plant and machinery are in accordance with Schedule II of the Companies Act, 2013.

The Company reviews at the end of each reporting date the useful life of property, plant and equipment, and are adjusted prospectively, if appropriate. Intangible assets is being amortized on straight line basis over the period of five years.

**2. Post-employment benefit plans**

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

**3. Provisions and contingencies**

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

Note No. 2 : Non-Current Assets: Property, Plant and Equipment  
As at 31st March, 2020

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1st Apr 2019	Additions During the Year	Deductions for the Year	Balance as at 31st March 2020	Balance as at 1st Apr 2019	Depreciation/ Amortisation charged for the Year	Deductions for the Year	Balance as at 31st March 2020	Balance as at 31st March 2020	Balance as at 31st Mar 2019
	<b>Total Property Plant and Equipment (i)</b>	<b>1,296.09</b>	<b>161.87</b>	<b>54.59</b>	<b>1,403.37</b>	<b>171.80</b>	<b>98.88</b>	<b>37.86</b>	<b>232.81</b>	<b>1,170.56</b>
i) Property Plant and Equipment										
A) Leasehold Land At Sitapura E-102	11.76	-	-	11.76	0.27	-	-	0.27	11.49	11.49
B) Building	648.38	-	-	648.38	35.97	22.68	-	58.65	589.73	612.40
C) Plant & Machinery*	384.90	114.53	27.64	471.79	55.69	35.94	12.51	79.12	392.67	329.21
D) Furniture and Fittings	94.10	18.69	-	112.79	16.54	10.00	-	26.54	86.25	77.56
E) Vehicles	90.47	-	26.95	63.51	37.06	14.86	25.35	26.57	36.94	53.41
F) Office Equipment	46.70	25.24	-	71.94	16.54	10.56	-	27.10	44.84	30.16
G) Computer	19.78	3.42	-	23.20	9.72	4.84	-	14.56	8.64	10.06

\* Plant & Machinery classified to held for sale (see note 2(B) having gross carrying value of 27.64 lakhs, accumulated depreciation of 12.51 lakhs and impairment loss of 12.13 lakhs on 31st March 2020).

ii) Capital Work In Progress

Particulars	(Amount in Rs.)			
	Balance as at 1st Apr 2019	Additions During the Year	Deductions for the Year	Capitalised during the year
A) Building Under Construction	5.89	27.99	-	-
<b>Total Capital Work In Progress (ii)</b>	<b>5.89</b>	<b>27.99</b>	<b>-</b>	<b>-</b>

Note No. 2A Right to use asset

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1st Apr 2019	Additions During the Year	Deductions for the Year	Balance as at 31st March 2020	Balance as at 1st Apr 2019	Depreciation/ Amortisation charged for the Year	Deductions for the Year	Balance as at 31st March 2020	Balance as at 31st March 2020	Balance as at 31st Mar 2019
	<b>Total Property Plant and Equipment (i)</b>	<b>-</b>	<b>189.59</b>	<b>-</b>	<b>189.59</b>	<b>-</b>	<b>6.32</b>	<b>-</b>	<b>6.32</b>	<b>183.27</b>
A) Lease hold Land	-	189.59	-	189.59	-	6.32	-	6.32	183.27	-



Note No.2B Assets held for sale  
(Amount in Rs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>PLANT &amp; MACHINERY</b>		
At the beginning of the year	-	-
Additions	-	-
Acquisitions	-	-
Disposals	-	-
Reclassification from/to held for sale	3.00	-
Other Adjustments(specify)	-	-
Net carrying amount as at the end of the year	3.00	-

Note No. 3 Non-Current Assets: Intangible Assets  
(Amount in Rs.)

Particulars	Gross Block		Accumulated Depreciation		Net Block				
	Balance as at 1st Apr 2019	Additions During the Year	Deductions for the Year	Balance as at 31st March 2020	Balance as at 1st Apr 2019	Depreciation/ Amortisation charged for the Year	Deductions for the Year	Balance as at 31st March 2020	Balance as at 31st Mar 2019
A) Intangible assets - Software	19.88	1.66	-	21.55	6.26	4.65	-	10.63	13.62
<b>Total Intangible assets</b>	<b>19.88</b>	<b>1.66</b>	<b>-</b>	<b>21.55</b>	<b>6.26</b>	<b>4.65</b>	<b>-</b>	<b>10.91</b>	<b>13.62</b>

<b>NON CURRENT ASSETS</b>		
<b>Note No. 4 : Non Current Financial Assets : Investments</b>		
Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Non Traded (Un-quoted)-Measured at Fair Value Through Profit &amp; Loss</b>		
India Exposition Mart Ltd. [1,514 (Previous Year 1,514) Common Stock at ₹ 10 each fully paid up, par value ₹ 10 each]	0.15	0.15
<b>Total</b>	<b>0.15</b>	<b>0.15</b>
*Investments has been valued as per Accounting Policy no. 19.1		
<b>Note No. 5 : Other Non Current Financial Assets</b>		
Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Unsecured, Considered Good</b>		
Security Deposit With RIICO	4.88	4.88
<b>Total</b>	<b>4.88</b>	<b>4.88</b>
<b>Note No. 6 : Other Non - Current Asset</b>		
Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>In Deposit Accounts With</b>		
Punjab National Bank Fixed Deposit having maturity more than 12 months (Pledged against Bank guarantee issued for EPCG License)	3.92	3.86
Axis Bank Limited Fixed Deposit having maturity more than 12 months (Pledged against Invoice Discounting facility taken from Bank)	-	164.32
HDFC Bank Limited Fixed Deposit having maturity more than 12 months (Pledged against Working Capital Loan facility taken from Bank)	-	100.35
<b>Unsecured, Considered Good</b>		
Security Deposit With Electricity Department	30.43	21.08
<b>Total</b>	<b>34.35</b>	<b>289.61</b>
<b>CURRENT ASSETS</b>		
<b>Note No. 7 : Inventories</b>		
Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Valued at lower of cost and Net Realisable Value</b>		
Raw materials	114.87	1,034.33
Work in Progress - Material under Fabrication	4,688.59	3,702.79
Finished Goods	1,014.49	1,175.45
Accessory & Packing Material	300.23	228.84
Machinery Parts	24.92	20.19
<b>Total</b>	<b>6,143.10</b>	<b>6,161.60</b>
<b>Goods in Transit included in above inventories are as under :</b>		
Particulars	As at 31st March, 2020	As at 31st March, 2019

Raw materials	-	-
Work in Progress	-	92.24
<b>Total</b>	-	<b>92.24</b>
<b>Note:</b>		
a) Inventories include stocks lying with third parties Rs. 440.89 Lakhs (Previous Year Rs. 881.67 Lakhs).		
b) Refer Note No. 18.1 for information on inventories pledged as security by the Company.		
<b>Note No. 8 : Current Financial Assets : Trade Receivables</b>		
<b>Particulars</b>	<b>As at 31st March, 2020</b>	<b>As at 31st March, 2019</b>
Trade receivables (refer note below)	3,800.61	4,614.71
Receivables from related parties	-	-
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit Impaired	0.20	0.20
Less: Allowance for doubtful trade receivables	(0.20)	(0.20)
<b>Total receivables</b>	<b>3,800.61</b>	<b>4,614.71</b>
Current portion	3,800.61	4,614.71
Non-current portion	-	-
<b>Total total receivables</b>	<b>3,800.61</b>	<b>4,614.71</b>
<b>Break-up of security details</b>		
Secured, considered good	-	-
Unsecured, considered good	3,800.61	4,614.51
Doubtful	0.20	0.20
<b>Total</b>	<b>3,800.81</b>	<b>4,614.71</b>
Allowance for doubtful trade receivables	(0.20)	(0.20)
<b>Total trade receivables</b>	<b>3,800.61</b>	<b>4,614.51</b>
<b>Note:</b>		
a) No trade or other receivables is due from directors or other officers of the Company either severally or jointly with any other person.		
b) Refer Note No. 18.1 for information on receivables pledged as security by the Company.		
c) Movement In Impairment Allowance For Doubtful Debts		
<b>Particulars</b>	<b>As at 31st March, 2020</b>	<b>As at 31st March, 2019</b>
<b>Balance at the beginning of the year</b>	0.20	-
Allowance for the year	-	16.81
Write off Bad Debts (Net of Recovery)	-	16.61
<b>Balance at the end of the year</b>	<b>0.20</b>	<b>0.20</b>
<b>Note No. 9 : Cash and Cash Equivalents</b>		
<b>Particulars</b>	<b>As at 31st March, 2020</b>	<b>As at 31st March, 2019</b>
<b>Cash &amp; Cash Equivalents</b>		
Balance with Banks - Current Account	8.16	49.97
Cash On Hand	7.61	6.76
<b>Total</b>	<b>15.77</b>	<b>56.73</b>
<b>Note No. 10 : Bank balances other than Cash &amp; Cash Equivalents</b>		
<b>Particulars</b>	<b>As at 31st March, 2020</b>	<b>As at 31st March, 2019</b>
<b>In Deposit Accounts With</b>		
HDFC Bank Ltd	386.56	78.21
Maturity having more than 3 months but less than 12 months from Balance Sheet Date		

(Pledged against Invoice Discounting facility taken from Bank)		
Punjab National Bank Maturity having more than 3 months but less than 12 months from Balance Sheet Date (Pledged against Invoice Discounting facility taken from Bank)	0.20	-
Axis Bank Limited Maturity having more than 3 months but less than 12 months from Balance Sheet Date (Pledged against Bank guarantee issued for EPCG License)	258.74	-
<b>Earmarked balances with banks:</b> HDFC Bank Ltd(Unclaimed dividends)	0.79	0.03
<b>Total</b>	<b>646.29</b>	<b>78.24</b>
<b>Note No. 11 : Other Current Financial Assets</b>		
<b>Particulars</b>	<b>As at 31st March, 2020</b>	<b>As at 31st March, 2019</b>
Unsecured, Considered Good- Security Deposits	0.60	1.12
Accrued Interest	1.33	1.13
Export Incentives Receivables	-	9.20
Other Receivable	3.11	5.15
<b>Total</b>	<b>5.04</b>	<b>16.61</b>
<b>Note No. 12 : Other Current Assets</b>		
<b>Particulars</b>	<b>As at 31st March, 2020</b>	<b>As at 31st March, 2019</b>
Export Incentives Receivables	33.30	-
GST Input	9.92	103.31
Advance to Others	9.14	47.64
Advance to Staff	6.96	4.14
Advance to Suppliers	52.62	17.18
Income Tax Refundable	11.59	11.59
Prepaid Expenses	21.69	7.45
<b>Total</b>	<b>145.23</b>	<b>191.31</b>
<b>EQUITY</b>		
<b>Note No. 13 : Equity Share Capital</b>		
<b>Particulars</b>	<b>As at 31st March, 2020</b>	<b>As at 31st March, 2019</b>
<b>Authorized</b>		
At the beginning of the year	1,175.00	1,175.00
Increase during the year	-	-
As at the end of year	<b>1,175.00</b>	<b>1,175.00</b>
<b>Issued, subscribed and fully paid up</b>		
At the beginning of the year	1,147.50	1,000.50
Increase during the year towards: Conversion of warrants into shares (Refer Note No. 14.2)	-	147.00
As at the end of year	<b>1147.50</b>	<b>1147.50</b>
<b>Total</b>	<b>1147.50</b>	<b>1147.50</b>
<b>Note No. 13.1 : Reconciliation of Number of Equity Shares Outstanding (in Nos. )</b>		
<b>Particulars</b>	<b>As at 31st March, 2020</b>	<b>As at 31st March, 2019</b>

<b>At the beginning of the year</b>	<b>1,14,75,000</b>	<b>1,00,05,000</b>
Add: Issued during the year		
~On Preferential Basis	-	-
~On Conversion of Warrants into Equity Shares*	-	14,70,000
<b>At the end of the year</b>	<b>1,14,75,000</b>	<b>1,14,75,000</b>

\*For details of conversion of Warrants into Equity Shares Refer Note no. 14.2

**Note No. 13.2 : Rights, preferences and restrictions to the shareholders**

The Company has only one class of equity shares having a par value 10/- per share. Each shareholder is eligible for one vote per share hold. The holders of the equity shares are entitled to receive dividends proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

No member shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the company has, and has exercised, any right of lien.

**Note No. 13.4 : Details of Shareholder's holding more than 5% of shares issued by the Company**

Name of Shareholder	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Harish Kumar Gupta	11,58,414	10.10%	11,53,414	10.05%
Pawan Kumar Gupta	11,21,964	9.78%	11,16,964	9.73%
Gaurav Gupta	10,57,000	9.21%	10,57,000	9.21%
Saurav Gupta	10,01,975	8.73%	10,01,975	8.73%
Anita Gupta	9,80,492	8.54%	9,80,492	8.54%
Sunita Gupta	8,99,492	7.84%	8,99,492	7.84%
Neha Gupta	7,82,525	6.82%	7,82,525	6.82%
Shikha Gupta	7,02,500	6.12%	7,02,500	6.12%

**Note No. 14 : Other equity**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Capital Reserve	5.55	5.55
Securities Premium	1,815.60	1,815.60
Retained Earnings	2,545.26	1,933.83
Share Warrants	-	-
<b>Total</b>	<b>4,366.41</b>	<b>3,754.98</b>

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>A. Capital Reserve</b>		
Opening Balance	5.55	6.32
Less: Withdrawals/transfer to Statement of Profit & Loss	-	0.76
<b>Closing Balance</b>	<b>5.55</b>	<b>5.55</b>
<b>B. Securities Premium</b>		
Opening balance	1,815.60	698.40
Add: On Issue of Equity shares		
~On Preferential Basis	-	-
~On Conversion of Warrants into Equity Shares	-	1,117.20
<b>Closing Balance</b>	<b>1,815.60</b>	<b>1,815.60</b>

<b>C. Retain Earnings</b>		
Opening balance	1,933.83	1,093.43
Add: Profit for the year	915.78	902.40
Add: Depreciation for the year (Charged to Capital Reserve)	-	0.76
Less: Deferred Tax Income on above	-	0.22
Less: Dividend on equity shares paid during the year	(252.45)	51.88
Less: Dividend distribution tax paid during the year	(51.89)	10.66
<b>Closing Balance</b>	<b>3,153.95</b>	<b>1,933.83</b>
<b>D. Share Warrants</b>		
Opening balance	-	316.05
Add: Issued during the year	-	948.15
Less: Conversion of Warrants into Equity Shares	-	(1,264.20)
<b>Closing Balance</b>	<b>-</b>	<b>-</b>
<b>Total (A+B+C+D)</b>	<b>4,975.10</b>	<b>3,754.98</b>

**Note No. 14.1 : Nature and Purpose of Reserve**

**a)Capital Reserve**

Capital Reserve represents capital Investment subsidy of ₹ 11.22 Lakhs received from SIDBI under TUF scheme in F.Y. 2010-11. Company has availed Capital Investment Subsidy forming part of cost of process Machinery. In terms of Accounting Policy No. 7, proportionate amount of such capital Investment subsidy is being withdrawn from Capital Reserve (Capital Investment Subsidy) equal to relative depreciation. During the year Nil and P.Y. ₹ 0.76 Lakhs (up to 31st March, 2020 ₹ 5.66 lakhs) has been withdrawn from Capital Reserve Account.

**NON- CURRENT LIABILITIES**

**Note No. 15 : Non Current Financial Liabilities : Borrowings**

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Term Loan from Banks (Secured)* :</b>		
<b>HDFC Bank Limited</b>		
Term Loan -I	-	4.38
Repayable in 36 fixed monthly installments		
Term Loan -II	101.67	143.09
Repayable in 59 fixed monthly installments starts from June 2017 and last installment due in May, 2022		
<b>Total (i)</b>	<b>101.67</b>	<b>147.47</b>
<b>Amount disclosed under the head 'other current liabilities'</b>		
(Carried to Note No. 20)		
HDFC Bank Limited	45.39	47.11
<b>Total (ii)</b>	<b>45.39</b>	<b>47.11</b>
<b>Total [(i)-(ii)]</b>	<b>56.28</b>	<b>100.36</b>

\* Details of Securities given in Note No. 18.1 and also refer Note No. 43 for liquidity risk.

**Note No. 16 : Non Current Liabilities : Provisions**

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Provision for Employee Benefits :</b>		
Gratuity	29.11	53.40
(Carried from Note No. 22)		
<b>Total</b>	<b>29.11</b>	<b>53.40</b>

**Note No. 17 : Non Current Liabilities : Deferred tax liabilities (Net)**

Particulars	As at 31st March, 2020	As at 31st March, 2019



<b>I) Deferred Tax Liability on account of:</b>		
Property, Plant and Equipment's (cumulative) i.e. Depreciation		
Book Value	1,169.71	1,126.43
Less: Tax Base	909.78	874.50
Deferred Tax Liability	<b>259.93</b>	<b>251.93</b>
Tax On above	65.42	73.36
<b>II) Deferred Tax Asset on account of:</b>		
Accrued Expenses deductible on payment basis		
Book Value	79.23	71.25
Less: Tax Base	-	-
	<b>79.23</b>	<b>71.25</b>
Interest expense on Lease Liability	17.19	-
Amortization of ROU Asset	6.32	-
Payment of Lease Liability	19.80	-
	<b>3.71</b>	-
Tax On above	20.87	20.75
<b>Closing Deferred Tax Liability (Net)</b>	<b>44.54</b>	<b>52.61</b>
Less: Opening Deferred Tax Liability (Net)	52.61	40.61
<b>Net Deferred Tax Expenditure</b>	<b>(8.07)</b>	<b>12.00</b>
<b>Less: Transfer to OCI</b>	<b>(1.11)</b>	<b>(10.19)</b>
<b>Less: Transfer to SOCE</b>		<b>(0.22)</b>
<b>Net transfer to Statement of Profit and Loss</b>	<b>(9.18)</b>	<b>1.59</b>

**CURRENT LIABILITIES**

**Note No. 18 : Current Financial Liabilities : Borrowings**

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>(i) Secured:</b>		
<b>Loans repayable on demand</b>		
<b>From HDFC Bank Ltd.</b>		
Fixed Working Capital Drawing Limit (WC DL)	2,400.00	2,400.00
Cash Credit Limit	105.91	300.39
Packing Credit: Foreign Currency Facility	109.00	114.92
Invoice Discounting Facility	1,477.26	446.67
<b>From Axis Bank Ltd.</b>		
Bank Overdraft	0.12	-
Vendor Finance Facility	-	560.90
<b>Total (i)</b>	<b>4,092.29</b>	<b>3,822.88</b>
<b>(ii) Unsecured:</b>		
<b>From Axis Bank Ltd.</b>		
Sales Invoice Discounting Facility (Axis)	-	720.11
<b>From EPI Money (P) Ltd.</b>		
Sales Invoice Discounting Facility (EPI)	-	0.55
<b>Total (ii)</b>	<b>-</b>	<b>720.67</b>
<b>Total (i+ii)</b>	<b>4,092.29</b>	<b>4,543.55</b>

\*There has been no default in repayment of any of the loans or interest thereon as at the end of the year

**Note No. 18.1 : Securities/ Guarantees**

**From HDFC Bank Ltd.**

- a) Primary Secured against hypothecation by way of first and exclusive charge in all present and future Stock, Book Debts and Plant & Machinery.
- b) Collaterally Secured against Industrial Property situated at E-102, EPIP, Sitapura Industrial Area, Jaipur in the name of Bella Casa Fashion & Retail Limited and also collaterally secured against E-103, EPIP, Sitapura Industrial Area, Jaipur in name of Gupta Exports.
- c) Secured against Fixed Deposit:- Total fixed deposit on which lien is to be created is Rs. 225 Lakhs and additionally Rs. 15 Lakhs Fixed Deposit is to be created every month from 20-06-2019 for next 36 months. Presently Rs. 375 Lakhs fixed deposit created till 31st March 2020.
- d) Personally guaranteed by Directors Shri Harish Kumar Gupta, Shri Pawan Kumar Gupta, Shri Gaurav Gupta and Shri Saurav Gupta.

**From Axis Bank Ltd.**

**-Bank Overdraft**

Secured against FDR in the name of the Company.

**-Vendor Discounting Facility**

- a) Primary Secured by way of charge on the underlying asset financed under proposed PO finance
- b) Collateral secured against Fixed Deposit of Rs. 112.50 Lakhs and
- c) Personally guaranteed by Directors Shri Harish Kumar Gupta, Shri Pawan Kumar Gupta, Shri Gaurav Gupta and Shri Saurav Gupta

**From Axis Bank Ltd. - Sales Invoice Discounting Facility**

- a) Primary Security-NIL
- b) Collateral secured against Fixed Deposit of Rs. 112.50 Lakhs and
- c) Personally guaranteed by Directors Shri Harish Kumar Gupta, Shri Pawan Kumar Gupta, Shri Gaurav Gupta and Shri Saurav Gupta Supported by comfort by way of unconditional acceptance of bill of exchange by company's buyer Reliance Retail Limited for trade bills covering sale of goods.

**Note No. 19 : Current Financial Liabilities : Trade Payables**

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Trade Payables for Goods &amp; Services</b>		
(A) Due to Micro & Small Enterprises	38.01	395.35
(B) Others-Trade Payables for Goods & Services	2,016.85	2,202.81
<b>Total</b>	<b>2,054.86</b>	<b>2,598.17</b>

**Note No. 19.1. Details of Dues to Micro Enterprises and Small Enterprises**

Particulars	As at 31st March 2020	As at 31st March 2019
Principal amount due to suppliers and remaining unpaid under MSMED Act, 2006	20.79	-
The amount of interest paid by the buyer in terms of Section 16 of the Micro Small and Medium Enterprise Development Act, 2006, along with the amounts of the payment made to the supplier beyond appointed day during the accounting year.	-	-
The 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 Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year.	0.88	-
The amount of further interest remaining due and payable even in the succeeding years. Until such date when the interest dues as above are actually paid to the small enterprise for the purpose of Disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	-	-
<b>Total</b>	<b>21.67</b>	<b>-</b>

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors.

**Note No. 20 : Other Current Financial Liabilities**

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Current maturities of long-term debt :</b>		
<b>Secured Loans</b>		
Term Loan from Banks - Current	45.39	47.11

(Carried from Note No. 15)		
Other Payables	5.61	0.36
Unpaid Dividend Liabilities	0.79	0.03
Outstanding Liabilities	85.12	149.10
<b>Total</b>	<b>136.91</b>	<b>196.61</b>
<b>Note :</b> (a) There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.		
(b) There has been no default in servicing of loan as at the end of the year.		
<b>Note No. 21 : Other Current Liabilities</b>		
<b>Particulars</b>	<b>As at 31st March, 2020</b>	<b>As at 31st March, 2019</b>
Statutory Dues	35.99	12.55
Contract Liabilities (Refer Accounting Policy - 10)		
- Customer Incentive & Discount	37.06	22.26
- Refund liabilities (Sales Return)	3.47	6.38
Advance from customers	2.68	51.22
<b>Total</b>	<b>79.20</b>	<b>92.41</b>
<b>Note No. 22 : Short Term Provisions</b>		
<b>Particulars</b>	<b>As at 31st March, 2020</b>	<b>As at 31st March, 2019</b>
Provision for Gratuity	50.12	17.86
<b>Total</b>	<b>50.12</b>	<b>17.86</b>
<b>Note No. 22.1 : Movement of Provision in Compliance of Ind AS 37 - Gratuity</b>		
<b>Particulars</b>	<b>As at 31st March, 2020</b>	<b>As at 31st March, 2019</b>
Opening Balance	71.25	87.91
Add: Provision made during the year	7.98	-
<b>Total</b>	<b>79.23</b>	<b>87.91</b>
Less: Provision reversed during the year	-	16.65
Less: Utilised / paid during the year	-	-
<b>Closing Balance</b>	<b>79.23</b>	<b>71.25</b>
<b>Note No. 22.2 : Current and Non-current Maturity of Gratuity</b>		
<b>Particulars</b>	<b>As at 31st March, 2020</b>	<b>As at 31st March, 2019</b>
Current Maturity	50.12	17.86
Non- Current Maturity (Carried to Note No. 16)	29.11	53.40
<b>Total</b>	<b>79.23</b>	<b>71.25</b>
<b>Note No. 23 : Current Tax Liabilities/(Assets) Net</b>		
<b>Particulars</b>	<b>As at 31st March, 2020</b>	<b>As at 31st March, 2019</b>
Provision For Taxation	306.35	353.20
<b>Less:</b>	306.35	353.20
Advance Tax	350.00	350.00
Tax Deducted as Source/Tax Collected at Source	3.79	3.19
<b>Total</b>	<b>(47.44)</b>	<b>0.01</b>

<b>Note No. 24 : Revenue from operations</b>		
<b>Particulars</b>	<b>Year Ending 31st March 2020</b>	<b>Year Ending 31st March 2019</b>
Sale of Products	16,259.53	14,670.65
Sale of Service:		
- Job Work Income	-	0.85
<b>Other Operating Revenues</b>		
Export Incentive	49.37	15.78
Gain on Exchange Rate Variation	5.33	(2.55)
<b>Total Revenue from Operation</b>	<b>16,314.23</b>	<b>14,684.73</b>
<b>Disaggregation of revenue</b>		
<b>Revenue based on Geography</b>		
<b>Particulars</b>	<b>Year Ending 31st March 2020</b>	<b>Year Ending 31st March 2019</b>
Domestic	15,659.20	14,467.50
Export	655.03	217.22
<b>Revenue from operations</b>	<b>16,314.23</b>	<b>14,684.73</b>
<b>Revenue Structure</b>		
<b>Particulars</b>	<b>Year Ending 31st March 2020</b>	<b>Year Ending 31st March 2019</b>
Sale of Products	16,525.59	15,797.13
Sale of Service	-	0.85
Less: Rebates & Discounts	261.64	141.63
Less: Sales Return	4.42	984.85
<b>Net Sales</b>	<b>16,259.53</b>	<b>14,671.50</b>
Add: Export Incentive	49.37	15.78
Add: Exchange Rate Variation	5.33	(2.55)
<b>Revenue from operations</b>	<b>16,314.23</b>	<b>14,684.73</b>
<b>Note No. 25 : Other income</b>		
<b>Particulars</b>	<b>Year Ending 31st March 2020</b>	<b>Year Ending 31st March 2019</b>
Interest Income	39.47	31.73
Dividend Income	0.02	0.02
Liability no more payable	-	7.03
<b>Total</b>	<b>39.49</b>	<b>38.78</b>

<b>Note No. 26 : Cost of materials consumed</b>		
<b>Particulars</b>	<b>Year Ending 31st March 2020</b>	<b>Year Ending 31st March 2019</b>
Raw Material - Opening Stock	1,034.33	1,920.94
Purchases	7,185.77	6,230.15
	<b>8,220.10</b>	<b>8,151.10</b>
Less: Material Lost by fire		6.11
Less: Raw Material - Closing Stock	114.87	1,034.33
<b>Total</b>	<b>8,105.23</b>	<b>7,110.66</b>
<b>Note No. 27 : Direct Manufacturing Expenses</b>		
<b>Particulars</b>	<b>Year Ending 31st March 2020</b>	<b>Year Ending 31st March 2019</b>
Accessory and Packing Material Consumed	1,303.35	978.16
Machinery Parts Consumed	41.12	40.94
Job Charges	1,015.54	1,104.82
Production Wages	1,789.19	1,271.40
(Carried from Note No. 29)		
Repairs and Maintenance of Machinery	5.20	10.59
Sampling, Designing and Testing Charges	7.00	9.49
Printing & Dyeing Charges	2,071.56	2,069.14
Power & Fuel	117.14	104.36
	<b>6,350.10</b>	<b>5,588.90</b>
Power and Fuel Attributable to Administrative expenses (Transferred to Note No. 31)	17.57	15.65
<b>Total</b>	<b>6,332.53</b>	<b>5,573.25</b>
<b>Note No. 27.1 : Accessory and Packing Material Consumed</b>		
<b>Particulars</b>	<b>Year Ending 31st March 2020</b>	<b>Year Ending 31st March 2019</b>
Accessory and Packing Material - Opening Stock	228.84	132.19
Purchases of Accessory and Packing Material	1,374.75	1,074.81
	<b>1,603.59</b>	<b>1,207.00</b>
Less: Accessory and Packing Material - Closing Stock	300.23	228.84
<b>Accessory and Packing Material Consumed</b>	<b>1,303.35</b>	<b>978.16</b>
<b>Note No. 27.2 : Machinery Parts Consumed</b>		
<b>Particulars</b>	<b>Year Ending 31st March 2020</b>	<b>Year Ending 31st March 2019</b>

Machinery Parts- Opening Stock	20.19	19.15
Purchases of Machinery Parts	45.84	41.98
	66.04	<b>61.13</b>
Less: Machinery Parts - Closing Stock	24.92	20.19
<b>Total</b>	<b>41.12</b>	<b>40.94</b>

**Note No. 28 : Changes in inventories of finished goods and Work-in-progress**

Particulars	Year Ending 31st March 2020	Year Ending 31st March 2019
<b>Finished Goods</b>		
Finished Goods - Opening Stock	1,175.45	1,760.20
Finished Goods - Closing Stock	1,014.49	1,175.45
Decrease/(Increase) in Finished Goods	<b>160.96</b>	<b>584.75</b>
<b>Work in Progress</b>		
Work in Progress - Opening Stock	3,702.79	2,386.96
Work in Progress - Closing Stock	4,688.59	3,702.79
Decrease/(Increase) in Work In Progress	(985.80)	<b>(1,315.83)</b>
<b>Total</b>	<b>(824.84)</b>	<b>(731.07)</b>

**Note No. 29 : Employee benefits expense**

Particulars	Year Ending 31st March 2020	Year Ending 31st March 2019
Salaries,Wages & Bonus	2,126.47	1,591.83
<b>Employer Contributions to -</b>		
Provident fund	10.70	4.46
ESI	5.51	2.85
Gratuity Expense (attributable to employee cost)	11.79	18.35
Staff Welfare Expenses	29.37	41.85
<b>Total Employee Benefit Expenses</b>	<b>2,183.84</b>	<b>1,659.34</b>
Wages Attributable to Manufacturing Activity (Transferred to Note No. 27)	1,789.19	1,271.40
<b>Net Employee Benefit Expenses</b>	<b>394.65</b>	<b>387.94</b>

\*For detail disclosure refer Note No. 46

**Note No. 30 : Finance costs**

Particulars	Year Ending 31st March 2020	Year Ending 31st March 2019
Interest Expenses	471.11	415.76
Bank Charges and Other Financial Charges	11.26	6.75



<b>Total</b>	<b>482.38</b>	<b>422.50</b>
<b>Note No. 31 : Other expenses</b>		
<b>Particulars</b>	<b>Year Ending 31st March 2020</b>	<b>Year Ending 31st March 2019</b>
Rent	-	6.00
Insurance	24.22	18.85
Sales Promotion Expenses	16.74	16.64
<b>Remuneration to Auditors :</b>	-	-
As Statutory Auditor	4.00	5.21
Tax Audit Fees	0.40	0.63
Certification Matters	0.17	0.20
Taxation Matters	0.63	1.93
Reimbursement of Expenses	0.15	-
Travelling Expenses	25.81	14.56
Petrol and Conveyance Expenses	12.65	12.08
Electricity Expenses	17.57	15.65
Repairs to Building & Others	31.47	22.58
Security Charges	6.42	6.81
House Keeping Services	22.01	16.16
Refreshment Expenses	11.16	10.20
Professional & Consultancy Expenses	14.91	9.19
Printing & Stationary	5.75	4.97
Postage & Courier	84.87	102.01
Telephone & Internet Expenses	3.66	4.79
Water Expenses	8.20	11.03
Membership & Registration Fees	5.56	4.63
Sitting Fee	0.50	0.87
Loss By Fire:	-	0.78
Commission Expenses	54.05	197.14
Freight, Handling Charges & Other Charges	58.35	53.50
Royalty for Brand	10.00	10.01
Bad Debts Written off	36.23	16.61
Advertisement and Publicity	31.86	54.41
Balances not recoverable	31.20	-
Other Expenses	12.67	9.70
Loss on Sale of Car	0.03	-
Provision for Impairment on Assets held for sale	12.13	-
<b>Total</b>	<b>543.35</b>	<b>627.15</b>

<b>Note No. 32 : Earning Per Share</b>		
<b>Particulars</b>	<b>Year Ending 31st March 2020</b>	<b>Year Ending 31st March 2019</b>
Net Profit after tax available for equity shareholders (a)	915.78	877.59
Weighted Average number of equity shares (b)		
Basic (in nos)	1,14,75,000	1,07,62,205
Diluted (in nos)	1,14,75,000	1,11,22,024
Earning per share (₹)		
Basic	7.98	8.15
Diluted	7.98	7.89
Nominal Value per Share (₹)	10.00	10.00

Disclosures:-

Note No. 33. Disclosure as per Ind AS 12 'Income Tax'

a) Income Tax Expense

i) Income Tax recognised in the statement of profit & loss

(Amount in Rs.)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
<b>Current Tax Expenses</b>		
Current Income Tax	306.35	353.20
Adjustment for earlier year	0.34	2.18
<b>Total current Tax expenses</b>	<b>306.69</b>	<b>355.38</b>
<b>Deferred tax</b>		
Deferred Tax Expenses	(9.18)	1.59
<b>Total deferred tax expenses</b>	<b>(9.18)</b>	<b>1.59</b>
<b>Total Income tax expenses</b>	<b>297.51</b>	<b>356.97</b>

ii) Income tax recognised in other comprehensive income (OCI)

(Amount in Rs.)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
<b>Deferred Tax Expenses</b>		
Net actuarial gain/(loss) on defined benefit plan	(1.11)	(10.19)
<b>Total Deferred Tax Expenses</b>	<b>1.11</b>	<b>10.19</b>

iii) Income tax recognised in Statement of Changes in Equity (SOCE)

(Amount in Rs.)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
<b>Deferred Tax Expenses</b>		
Deferred Tax on Account of Deferred Government Grant	-	0.22
<b>Total Deferred Tax Expenses</b>	<b>-</b>	<b>0.22</b>

iv) Reconciliation of tax expense and accounting profit multiplied by India's domestic rate

(Amount in Rs.)

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Profit before Income Tax	1,214.40	1,270.32
Tax Rate	25.17%	29.12%
Tax using the company tax rate	305.66	369.92
<b>Adjustment for (Tax effect):</b>		
Non deductible tax expenses (Donation)	0.53	0.11
Exempt Income (Dividend)	(0.00)	(0.00)
Previous year tax liability	0.34	2.18
Change in Income Tax Rate	(7.14)	(4.84)
Other Adjustment	(0.74)	0.02
<b>Total tax expenses in the statement of profit and loss account</b>	<b>298.65</b>	<b>367.39</b>

b) Movement in deferred tax balances

31st March 2020

(Amount in Rs.)

Particulars	Net Balance 1st April 2019	Recognised in Profit and Loss	Recognised in OCI	Others	Net Balance 31st March 2020
i) Difference between accounting and tax	(73.36)	7.94	-	-	(65.42)
ii) Disallowances under section 43B for non payment of expenses & Others	20.75	1.24	(1.11)	-	20.87

<b>Net tax assets/(liabilities)</b>	<b>(52.61)</b>	<b>9.18</b>	<b>(1.11)</b>	<b>-</b>	<b>(44.54)</b>
<b>31st March 2019</b>					
					<b>(Amount in Rs.)</b>
<b>Particulars</b>	<b>Net Balance 1st April 2018</b>	<b>Recognised in profit and loss</b>	<b>Recognised in OCI</b>	<b>Others</b>	<b>Net Balance 31st March 2019</b>
i) Difference between accounting and tax	(69.68)	(3.68)	-	-	(73.36)
ii) Disallowances under section 43B for non payment of expenses	29.07	1.88	(10.19)	-	20.75
<b>Net tax assets/(liabilities)</b>	<b>(40.61)</b>	<b>(1.81)</b>	<b>(10.19)</b>	<b>-</b>	<b>(52.61)</b>

**Note No. 34. Disclosure as per Ind AS 2 'Inventories****Amount of inventories recognised as expense during the year is as under:****(Amount in Rs.)**

<b>Particulars</b>	<b>For the year ended 31st March 2020</b>	<b>For the year ended 31st March 2019</b>
Cost of Material Consumed	8,105.23	7,110.66
Packing Material Consumed	1,303.35	978.16
Machinery Parts Consumed	41.12	40.94
<b>Total</b>	<b>9,449.70</b>	<b>8,129.76</b>

**Note No. 35. Disclosure as per Ind AS 16 'Property, Plant and Equipment.****The carrying amounts of assets Pledged as security for current and non-current borrowings are:-****(Amount in Rs.)**

<b>Particulars</b>	<b>As at 31st March 2020</b>	<b>As at 31st March 2019</b>
<b>Current Assets</b>		
<b>Financial Assets</b>		
Trade Receivables	3,800.61	4,614.51
Term Deposits held as margin money	645.50	78.21
<b>Non-Financial Assets</b>		
Inventories	6,143.10	6,161.60
<b>Total Current assets pledged as security</b>	<b>10,589.21</b>	<b>10,854.33</b>
<b>Non-Current Assets</b>		
Land	11.49	11.49
Building	589.73	612.40
Plant & Equipment	392.67	329.21
Term Deposits held as margin money (having maturity more than 12 months)	3.92	268.53
<b>Total Non-Current assets pledged as security</b>	<b>997.81</b>	<b>1,221.63</b>
<b>Total Assets pledged as security</b>	<b>11,587.02</b>	<b>12,075.96</b>

**Note No. 36. Disclosure as per Ind AS-116 "Leases"**

The company has adopted Ind AS 116, Leases with effect from year 2019-20. Ind AS primarily requires the company, as a lessee, to recognize, at the commencement of the lease a right-to-use asset and a lease liability (representing present value of unpaid lease payments). Such right-to-use assets are subsequently depreciated and the lease liability reduced when paid, with the interest on the lease liability being recognized as finance cost, subject to certain remeasurement adjustments.(refer note 3A)

**Note No. 37. Disclosure as per Ind AS 21 "The Effects of Changes in Foreign Exchange Rates"**

The amount of exchange differences (net) credited to the Statement of Profit & Loss is 5.33 Lakhs (31st March, 2019: debit of Rs. 2.55 Lakhs).

**Note No. 38. Disclosure of Corporate social responsibility(CSR)**

As per section 135 of Companies Act 2013, the Company is required to spend in every financial year, at least 2% of the average net profits of the Group made during the three immediately preceding financial year in accordance with its CSR policy.

A) Gross amount required to be spent by the Company during the year 2019-20 is Rs. 17.86 Lakhs (Previous Year 2018-19- 10.85 lakhs)

B) Amount spent during the year on:

	<b>Year 2019-20</b>	<b>Year 2018-19</b>

Particulars	In Cash	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
i) Construction/Acquisition of any assets	-	-	-	-	-	-
ii) Purposes other than (i) above	-	-	-	-	-	-

Note: (i) For the Year 2019-20, Amount spent under CSR is Rs. Nil. (P.Y. 2018-19 Rs Nil)

**Note no. 39. Disclosure as per Ind AS 24 'Related party Disclosures'**

The Company has identified all the related parties as per details given below:

**List of Related Parties:**

A	Key Managerial Personnel
1	Harish Kumar Gupta (Chairman & Whole-time director)
2	Pawan Kumar Gupta (Managing director)
3	Gaurav Gupta (Whole-time director)
4	Saurav Gupta (Whole-time director)
5	Naresh Manwani (CFO)
6	Sonika Gupta (Company Secretary)

B	Enterprises where Key Managerial Personnel has control /interest:
1	Gupta Exports

C	Relatives of Key Managerial Personnel
1	Anita Gupta
2	Sunita Gupta
3	Shikha Gupta
4	Neha Gupta

D	Independent Directors
1	Sharad Mangal (Non Executive& Independent Director)
2	Gunjan Jain (Non Executive& Independent Director)
3	Kalpana Juneja (Non Executive& Independent Director)
4	Vikas mathur (Non Executive& Independent Director)

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

**Transactions carried out with related parties referred in 1 above, in ordinary course of business: (Amount in Rs.)**

Nature of transaction	Influence	2019-20	2018-19
<b>Rent Expenses</b>			
Gupta Exports	Enterprises where Key Managerial Personnel has control /interest	19.80	6.00
<b>Remuneration</b>			
Harish Kumar Gupta (Chairman & Whole-time director)	Key Managerial Personnel	24.00	24.36
Pawan Kumar Gupta (Managing director)		24.00	24.36
Gaurav Gupta (Whole-time director)		24.00	24.36
Saurav Gupta (Whole-time director)		24.00	24.36
Naresh Manwani (CFO)		6.70	6.00
Sonika Gupta (Company Secretary)		3.44	2.80
Shikha Gupta	Relatives of Key	18.00	18.00
Neha Gupta		18.00	18.00
<b>Directors sitting fees</b>			
Sharad Mangal	Non Executive &	0.20	0.18
Gunjan Jain		0.20	0.17

Kalpna Juneja	<b>Independent</b>	0.08	0.05
Vikas mathur	<b>Director</b>	0.03	0.03

In respect of the outstanding balance recoverable from related parties as at 31st March 2019, no provision for doubtful debts is required to be made. During the year, there were no amounts written off or written back from such parties.

**Compensation to key managerial personnel of the Company.**

Particulars	As at	As at
	31st March 2020	31st March 2019
Short term employee benefits	106.14	106.24
Post-employment benefits	1.44	1.44
<b>Total</b>	<b>107.58</b>	<b>107.68</b>

**Outstanding Balance**

Particulars	As at	As at
	31st March 2020	31st March 2019
Harish Kumar Gupta (Chairman & Whole-time director)	1.52	1.29
Pawan Kumar Gupta (Managing director)	1.52	1.29
Gaurav Gupta (Whole-time director)	1.52	1.29
Saurav Gupta (Whole-time director)	1.52	2.40
Naresh Manwani (CFO)	0.56	(0.00)
Sonika Gupta (Company Secretary)	0.29	0.22
Shikha Gupta	1.22	1.47
Neha Gupta	1.22	1.47
Sharad Mangal	0.07	0.36
Gunjan Jain	0.08	0.29
Kalpna Juneja	0.04	0.12
Vikas mathur	0.03	0.07

**Note No. 40. Disclosure as per Ind AS 36 'Impairment of Assets'.**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the

(a) higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped separately as held for sale and the loss on impairment is shown under other expenses.

(b) Details:

Asset	Purchase cost	Depreciation Expense	Carrying amount as on date of impairment	Impairment Loss
Power Loom	27.64	12.51	15.13	12.13

**Note no. 41. Disclosure as per Ind AS 37 'Provisions ,contingent liabilities and contingent assets'**

**1 Contingent liabilities not provided for in respect of:-**

(Amount in Rs.)

Particulars	As at	As at
	31st March 2020	31st March 2019
<b>Claims against the company not acknowledged as debt:</b>		
<b>(a) Provident Fund</b>		
The Honourable Supreme Court has passed a decision on 28th Feb, 2019 in relation to inclusion of certain allowances within the scope of "Basic Wages" for the pupose of determining contribution to provident fund under the Employees Provident Fund and Miscellaneous Provisions Act, 1952. The company based on legal advice, is awaiting further clarification in this matter in order to reasonably assess the impact on its financial statement, if any. Accordingly, the applicability of the judgement to the company with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability cannot be reasonably ascertained at present.	Amount not determinable	Amount not determinable

**Note:** (i) It is not practicable for the Company to estimate the timing of cash outflows, if any , in respect of the above (a) pending resolution of the respective proceedings.

(ii) There is no reimbursement possible on account of contingent liabilities



**Note No. 42. Assessment of COVID - 19 impact on operations**

In March 2020, the World Health Organisation declared COVID-19 to be a pandemic. Consequent to this, Government of India declared a national lock down on March 24, 2020, which has impacted the business activities of the Company. The Company has assessed the impact of this pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of these financial statements, in determination of the recoverability and carrying value of property, plant and equipment, other intangible assets, inventories, trade receivables and in relation to other financial statement captions. The impact of COVID-19 pandemic on the overall economic environment being uncertain may affect the underlying assumptions and estimates used to prepare the Company's financial statements, which may differ from that considered as at the date of approval of these financial statements. The Company will continue to closely monitor any material changes to future economic conditions. The Company has resumed its business activities by reopening its factories on a gradual basis in line with the guidelines issued by the Government authorities.

**Note No. 43. Disclosure as per Ind AS 107 'Financial instrument disclosure'**

**A) Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio and includes within net debt, interest bearing loans and borrowings less Cash and cash equivalents.

Particulars	31st March,2020	31st March,2019
Gross Debt	4,193.96	4,691.02
Less : Cash and cash equivalents	15.77	56.73
Net Debt (A)	4,178.19	4,634.29
Total Equity (B)	5,513.91	4,902.48
Gearing Ratio (A/B)	0.76	0.95

**B) Financial risk management**

The Company's principal financial liabilities comprise Borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade & other receivables, cash & cash Equivalent, deposits.

**Company is exposed to following risk from the use of its financial instrument:**

- a) Credit Risk
- b) Liquidity Risk
- c) Market Risk
- d) Foreign Currency Risk
- e) Interest Rate Risk

The Company's Financial Risk Management is an integral part of how to plan and execute its business strategies. The Company's financial risk management is set by the Managing Board.

**a) Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from trade receivables, loans & advances, cash & cash equivalents and deposits with banks and financial institutions.

**Trade Receivable**

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 7 days to 90 days credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 8. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The requirement of impairment is analysed as each reporting date.

**Other Financial Instruments and Cash & Cash Equivalent**

The Company maintain its cash & cash equivalent in current account to meet the day to day requirements. Other financial instruments are Deposit, Accrued Interest, Export Incentives Receivables and Other Receivables. The Company's maximum exposure to credit risk for the component of the Balance Sheet as of 31st March, 2020, 31st March, 2019 is the carrying amount as disclosed in Note 9, 10 & 11.

**Provision for Expected Credit or Loss**

**i) Financial assets for which loss allowance is measured using 12 month expected credit losses.**

The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised.

**ii) Financial assets for which loss allowance is measured using life time expected credit losses.**

The Company provides loss allowance on trade receivables using life time expected credit loss and as per simplified approach.

**(b) Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(Amount in Rs.)

Particulars	On Demand	0 -1 years	1-5 years	More than 5 years	Total
<b>Year ended 31st March, 2020</b>					
Term Loans*	-	45.39	56.28	-	101.67
Financial Liability (Loans Repayable on Demand)	4,092.29	-	-	-	4,092.29
Trade Payables	-	2,054.86	-	-	2,054.86
Other Financial Liabilities#	-	91.52	-	-	91.52
Lease Liability	-	19.80	79.20	495.00	594.00
<b>Total</b>	<b>4,092.29</b>	<b>2,211.57</b>	<b>135.48</b>	<b>495.00</b>	<b>6,934.34</b>
<b>Year ended 31st March, 2019</b>					
Term Loans*	-	47.11	100.36	-	147.47
Financial Liability (Loans Repayable on Demand)	4,543.55	-	-	-	4,543.55
Trade Payables	-	2,598.17	-	-	2,598.17
Other Financial Liabilities#	-	149.50	-	-	149.50
<b>Total</b>	<b>4,543.55</b>	<b>2,794.78</b>	<b>100.36</b>	<b>-</b>	<b>7,438.68</b>

\*Includes contractual interest payment based on interest rate prevailing at the end of reporting period over tenure of the borrowings

#Current maturity of long-term borrowings is included in interest bearing borrowing part in above note.

Overdraft or other on demand loan facility, if any available with the Company to be disclosed, to the extent undrawn.

**The Company had access to the following undrawn borrowing facilities at the end of the reporting period:**

(Amount in Rs.)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>Floating rate borrowings</b>		
Term Loan	-	-
Cash Credit and Export Credit Packing Facility	185.09	27.69
Vendor Financing and Invoice Discounting	422.74	218.99
<b>Total</b>	<b>607.83</b>	<b>246.68</b>

**c) Market Risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Company. All such transactions are carried out within the guidelines set by the Managing Board.

**d) Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates. The company uses forward contracts to mitigate its risk from foreign currency fluctuations. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or

inputs that are directly or indirectly observable in the marketplace.

Derivative instruments and unhedged foreign currency exposure:-

i) Derivative outstanding as at the reporting date -

Particulars	As at 31 <sup>st</sup> March 2020		As at 31 <sup>st</sup> March 2019	
	Currency	Rupees in lacs	Currency	Rupees in lacs
Forward Contracts				
- In US dollar	97,000	72.08	-	-
Total Forward contracts	97,000	72.08	-	-

The foreign exchange forward contracts mature within 12 months. The table below analyzes the derivative financial instruments into relevant maturity groupings based on the remaining period as at the Balance Sheet date:

Particulars	(Rs. In Lakhs)	
	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
Not later than one month	44.53	-
Later than one month and not later than three months	27.55	-
Later than three months and not later than one year	-	-

ii) Particulars of unhedged foreign currency exposure as at the reporting date- Nil

The Company's investment consists of investments in non traded (Un-quoted) company held for purposes other than trading. Such investments held in connection with non-consolidated investments represent a low exposure risk for the Company and are not hedged.

As at 31<sup>st</sup>, March 2019 Company does not have material exposure to listed or unlisted equity price risk.

e) **Interest Rate Risk**

Interest rate risk arises from the sensitivity of financial assets and liabilities to changes in market rates of interest. The Company is exposed to interest rate risk arising mainly from long term borrowings with floating interest rates. The Company is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. The Company manages the interest rate risks by entering into different kinds of loan arrangements with varied terms.

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments is as follows:

Particulars	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
<b>Financial Assets</b>		
<b>Fixed Rate</b>		
Security Deposit	-	-
Bank Deposit	649.43	346.74
<b>Total</b>	<b>649.43</b>	<b>346.74</b>
<b>Financial Liabilities</b>		
<b>Fixed Rate</b>		
Term Loans	101.67	147.47
<b>Variable Rate Instruments</b>		
Loan repayable on demand	4,092.29	4,543.55
<b>Total</b>	<b>4,193.96</b>	<b>4,543.55</b>

As at March 31<sup>st</sup>, 2020, approximately 2.42% of the Company's Borrowings are at fixed rate of interest (March 31<sup>st</sup>, 2019 : 3.14%)

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
<b>0.5% Increase in Rate - Loan repayable on demand</b>		
Impact on P&L	(20.46)	(22.72)
<b>0.5% Decrease in Rate - Loan repayable on demand</b>		
Impact on P&L	20.46	22.72
<b>Total</b>	<b>-</b>	<b>-</b>

**Note No. 44. Disclosure as per Ind AS 108 ' Operating segment.**

The Company is engaged in production and retail of apparels and home furnishing products having integrated working. For management purposes, Company is organized into major operating activity of the textile products. The company has no activity outside India except export of textile products manufactured in India. Thereby, there is no geographical segment. Accordingly, there is no reportable operating segment.

**Note No. 45. Disclosure as per Ind AS 113 'Fair Value Measurement**

**Fair Value Hierarchy**

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are:-

(a)	recognised and measured at fair value and;
(b)	measured at amortised cost and for which fair values are disclosed in financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting Fair value are categorised into different level in a fair value hierarchy which are as follows:
<b>Level 1</b>	Level 1 hierarchy includes financial instruments measured using quoted prices.
<b>Level 2</b>	The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates.
<b>Level 3</b>	If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable market transactions and dealer quotes of similar instruments.

**Valuation Techniques used to determine fair values:**

**A) Specific valuation technique is used to determine the fair value of the financial instruments which include:**

i)	For financial instruments other than (ii):- In accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable market transactions and dealer quotes of similar instruments.
ii)	For financial liabilities (domestic currency loans) :- appropriate market borrowing rate of the entity as of each balance sheet date used.

**B) Financial Instruments By Category**

Particulars	31st March, 2020		31st March, 2019	
	FVTPL	Amortized Cost	FVTPL	Amortized Cost
<b>Financial Assets:</b>				
Investments in				
Equity instrument	0.15	-	0.15	-
Security deposit	-	4.88	-	4.88
Trade Receivables	-	3,800.61	-	4,614.51
Cash and Cash Equivalents	-	15.77	-	56.73
Bank balances other than cash and cash equivalent	-	646.29	-	78.24
Other Financial Assets	-	5.04	-	16.61
<b>Total Financial Assets</b>	<b>0.15</b>	<b>4,472.59</b>	<b>0.15</b>	<b>4,770.97</b>
<b>Financial Liability:</b>				
Borrowings	-	4,092.29	-	4,543.55
Trade Payables	-	2,054.86	-	2,598.17
Other Financial Liabilities	-	136.91	-	196.61
<b>Total Financial Liability</b>	<b>-</b>	<b>6,284.06</b>	<b>-</b>	<b>7,338.32</b>

**C) Fair Value Hierarchy**

Financial Instrument measured at Fair Value-recurring fair value measurement	Level	As at 31st March 2020	As at 31st March 2019
<b>Financial Assets</b>			
Investments in Equity Instruments	3	0.15	0.15
<b>Total</b>		<b>0.15</b>	<b>0.15</b>

**D) Fair value disclosures of financial assets and liabilities**

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

**Note No. 46 : Post retirement benefit plans:**

**A) Defined Contribution Plans**

The amount recognized as an expense for defined contribution plans are as under:

Particulars	(Amount in ₹)	
	Year Ending 31st March 2020	Year Ending 31st March 2019

Provident fund	10.70	4.46
ESI	5.51	2.85
<b>Total</b>	<b>16.21</b>	<b>7.31</b>

**B) Defined Benefits Plans**

The company has following post employment benefit which are in the nature of defined benefit plans:

**Gratuity:-**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

Particulars	Year Ending 31st March 2020	Year Ending 31st March 2019
<b>Present Value of Obligations</b>		
Present Value of Obligation at the Beginning of the period	71.25	87.91
Interest Cost	4.28	6.81
Current service Cost	7.52	11.54
Past Service Cost	-	-
Benefits Paid	-	-
Actuarial (Gain)/ Loss	(3.81)	(35.00)
<b>Present Value of Obligation at the end of the period</b>	<b>79.23</b>	<b>71.25</b>
<b>Key Results</b>		
Present Value of Obligation at the end of the period	79.23	71.25
Fair Value of Plan asset at the end of the period	-	-
<b>Net Liability Recognized in Balance sheet</b>	<b>79.23</b>	<b>71.25</b>
<b>Expense Recognized in Statement of P&amp;L</b>		
Interest Cost	4.28	6.81
Current service Cost	7.52	11.54
Past Service Cost	-	-
Expected Return on Plan asset	-	-
Net Actuarial (gain)/ Loss	(3.81)	(35.00)
<b>Expense Recognized in Statement of P&amp;L</b>	<b>7.98</b>	<b>(16.65)</b>
<b>Experience Adjustment</b>		
Experience Adjustment (Gain)/ Loss for Plan Liabilities	(8.85)	(35.00)
Experience Adjustment (Gain)/ Loss for Plan Assets	-	-
<b>Summary of Membership Data</b>		
Number of Employees	590.00	477.00
Total Monthly Salary	54.45	51.59
Average Past Service (years)	1.40	1.20
Average Future Service (years)	28.00	28.50
Average Age (years)	32.00	31.50
Weighted average duration (based on Discounted Cash Flows) in Years	15.00	19.00
Average Monthly Salary	0.09	0.11
<b>Actuarial Assumption</b>		
Discount Rate (per annum)	6.00%	7.75%
Salary Growth Rate (per annum)	4.00%	5.00%
Mortality	IALM2012-14	IALM 2006-08 ULTIMATE
Expected Rate of Return	-	-
Withdrawal Rate (per annum)	47.00%	8.00%
<b>Benefits Valued</b>		
Normal Retirement Age	60 years	60 years
Salary	Last Drwan Qualifying Salary	Last Drwan Qualifying Salary
Vesting Period	5 yrs of service	5 yrs of service
Benefits of Normal Retirement	15/26*salary*past service(yr)	15/26*salary*past service(yr)

Benefits of early exit due to death or disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Limit	20.00	20.00
<b>Sensitivity Analysis</b>		
<b>Period</b>	<b>As on 31st March 2020</b>	
Define Benefit Obligation (Base)	Rs. 79.23 lakhs @ salary increase rate:	
Liability with x % increase in Discount Rate	Rs. 78.11 lakhs x=1% [change(1)%]	
Liability with x % decrease in Discount Rate	Rs. 80.39 lakhs x=1% [change1%]	
Liability with x % increase in Salary Growth Rate	Rs. 80.40 lakhs x=1% [change1%]	
Liability with x % decrease in Salary Growth Rate	Rs. 78.08 lakhs x=1% [change(1)%]	
Liability with x % increase in Withdrawal Rate	Rs. 79.06 lakhs x=1% [change 0%]	
Liability with x % decrease in Withdrawal Rate	Rs. 79.40 lakhs x=1% [change 0%]	
<b>Note No. 47. Disclosure as required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015</b>		
a) Loans and advances in the nature of loans to Joint Venture : Nil		
b) Investment by the loanee : Nil		
<b>Note No. 48. : Regrouped, Recast, Reclassified</b>		
a) All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs upto two decimals as per the requirements of Schedule III, unless otherwise stated.		
b) Previous period's figures in the financial statements, including the notes thereto, have been reclassified wherever required to conform to the current period's presentation/classification.		
<b>Significant Accounting Policies, Notes on Accounts and other disclosures from Note No. 1 to 48 forming part of these financial statements.</b>		
<b>For and on behalf of the Board of Directors of Bella Casa Fashion &amp; Retail Limited</b>		As per our report of even date attached
		<b>For Vikas Jain &amp; Associates</b>
		Chartered Accountants
		FRN-006803C
<b>Harish Kumar Gupta</b>	<b>Pawan Kumar Gupta</b>	
Chairman & Whole Time Director	Managing Director	
DIN: 01323944	DIN: 01543446	
		<b>(Jugal Kishore Tank)</b>
		Partner
		M. No. 424524
<b>Naresh Manwani</b>	<b>Sonika Gupta</b>	
Chief Financial Officer	Company Secretary	
	M.No. 38676	
PLACE : JAIPUR		
DATE : 25-JUNE-2020		

# BELLA CASA



— Since 1957 —



**Bella Casa Fashion & Retail Ltd.**

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