

**SHREE WORSTEX LIMITED**

**ANNUAL REPORT FINANCIAL YEAR 2019-20**

**( Page No. 1 )**

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**SHREE WORSTEX  
LIMITED**

**37<sup>TH</sup> ANNUAL REPORT  
2019-20**

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 2 )

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Mr. Pawan Kumar Mittal, Non- Executive Director  
Mrs. Kiran Mittal, Non-Executive Director  
Mr. Jitendra Kumar Aggarwal, Independent Director  
Mr. Pankaj Kapoor, Independent Director  
Mr. Avinash Sharma, Independent Director

### KEY MANAGERIAL PERSONNEL

Ms. Nidhi Marwaha, CEO & CFO

### STATUTORY AUDITOR

M/s V. N. Purohit & Co., Chartered Accountants  
214, New Delhi House, 2nd Floor, 27,  
Barakhamba Road, New Delhi-110001

### SECRETARIAL AUDITOR

M/s G Aakash & Associates,  
Company Secretaries  
1878, H.B.C , Sector-13,17  
Panipat-132103, Haryana

### INTERNAL AUDITOR

M/s S.K. Goel & Associates,  
Chartered Accountants  
C-1/117,3rd Floor, Front Side, Opposite St.  
Marks School, Janak Puri, New Delhi-110058

### REGISTERED OFFICE

325, III<sup>rd</sup> Floor, Aggarwal Plaza, Sector-14,  
Rohini, New Delhi-110085

### COMPANY'S WEBSITE

[www.shreeworstex.in](http://www.shreeworstex.in)

### BANKERS

HDFC Bank  
FIU/42, F1U Blk, Pitampura, New Delhi, 110034

### BOARD COMMITTEES

#### Audit Committee

Mr. Avinash Sharma, Chairman & Member  
Mr. Pankaj Kapoor, Member  
Mr. Jitendra Kumar Aggarwal, Member

#### Nomination & Remuneration Committee

Mr. Avinash Sharma, Chairman & Member  
Mr. Pankaj Kapoor, Member  
Mrs. Kiran Mittal, Member

#### Stakeholders Grievances Committee

Mr. Avinash Sharma, Chairman & Member  
Mr. Pankaj Kapoor, Member  
Mr. Pawan Kumar Mittal, Member

### REGISTRAR & SHARE TRANSFER AGENT

Skyline Financial Services Private Limited  
D-153A, First Floor, Okhla Industrial Area,  
Phase-I New Delhi-110020

### NAME OF THE STOCK EXCHANGE AT WHICH THE COMPANY'S SECURITIES ARE LISTED

Metropolitan Stock Exchange of India Limited  
(MSEI) and BSE Limited

### INVESTORS HELPDESK

Contact Person- Ms. Nidhi Marwaha  
Compliance Officer,  
E-mail id: [shreeworstex@gmail.com](mailto:shreeworstex@gmail.com)  
Tel. 9315202833

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 3 )

## DECLARATION ON AUDITED FINANCIAL RESULTS

pursuant to the second proviso to Regulation 33(3)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 33(3)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, by the SEBI (LODR) (Amendments) Regulations, 2016 vide notification No. SEBI/LAD-NRO/GN/2016-17/001 dated May 25, 2016 read with Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016, we, the undersigned, on behalf of the Board of Directors of Shree Worstex Limited ("Company") (CIN: L17111DL1982PLC013790) having its registered office at 325, III<sup>rd</sup> Floor, Aggarwal Plaza, Sector-14, Rohini, New Delhi 110085 hereby confirms that M/s. V. N. Purohit & Co., Chartered Accountants (FRN: 304040E), the Statutory Auditors of the Company have issued their Audit Report with unmodified opinion on Audited Standalone Financial Results of the Company for the quarter and year ended 31<sup>st</sup> March, 2020.

For Shree Worstex Limited

sd/-

**NIDHI MARWAHA**

(Chief Financial Officer and Chief Executive Officer)

PAN: AMFPM6902N

Date: 30.06.2020

Place: New Delhi

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 4 )

## TABLE OF CONTENTS

S. No.	PARTICULARS	PAGE NO.
1.	Notice	5-19
2.	Attendance Slip	20
3.	Proxy Forms (Form MGT- 11)	21-22
4.	Polling Paper (Form MGT- 12)	23
5.	Route Map of Venue	24
6.	Directors Report	25-38
7.	Particulars of Employees and their Remuneration Disclosures (Annexure A)	39-40
8.	Management Discussion and Analysis Report (Annexure B)	41-42
9.	Secretarial Audit Report (Form MR- 3) (Annexure C)	43-47
10.	Independent Auditors Report (Annexure D)	48-57
a.	Balance Sheet	58
b.	Statement of Profit & Loss Account	59
c.	Cash Flow Statement	60
d.	Notes on Financial Statements	61-77
11.	Particulars of Contract or Arrangement made with related parties (Form AOC- 2) (Annexure E)	78-80
12.	Extract of Annual Return (Form MGT- 9) (Annexure F)	81-89

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 5 )

## SHREE WORSTEX LIMITED

Regd. Off: 325, IIIrd Floor, Aggarwal Plaza, Sector- 14, Rohini, New Delhi- 110085

Mob.: 9315202833, Email ID: shreeworstex@gmail.com, info@shreeworstex.in

Website: www.shreeworstex.in, CIN: L17111DL1982PLC013790

### NOTICE

Notice is hereby given that the 37<sup>th</sup> Annual General Meeting of the members of Shree Worstex Limited will be held on Monday, 28<sup>th</sup> September, 2020, at 02:00 P.M. at 325, III<sup>rd</sup> Floor, Aggarwal Plaza, Sector-14, Rohini, New Delhi-110085 to transact the following business:

#### ORDINARY BUSINESS

**Item No. 1:** To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2020 and the Reports of the Board of Directors and the Auditors thereon.

**Item No. 2:** To appoint a Director in place of Mr. Pawan Kumar Mittal (DIN: 00749265) who retires by rotation and, being eligible, offers himself for re-election.

#### SPECIAL BUSINESS

**Item No. 3: Re-Appointment Of Mr. Jitender Kumar Agarwal (DIN:00850314) as Independent Director .**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under read with Schedule IV to the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof for the time being in force) and Regulation 17(1A) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mr. Jitender Kumar Agarwal (DIN: 00850314), who was appointed as an Independent Director for a term of five (5) consecutive years up to 37<sup>th</sup> AGM by the Shareholders, being eligible and in respect of whom the Company has received a notice in writing from the Director under Section 160 of the Companies Act, 2013 proposing his candidature for the office of a Director, be and is hereby re-appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of Five (5) consecutive years i.e. from 28<sup>th</sup> September, 2020 upto the conclusion of 42<sup>nd</sup> AGM.

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 6 )

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, things and matters and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

#### **Item No. 4: Power of Borrowings**

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

**"RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications, or re-enactments thereof) and pursuant to the provisions of the Articles of Association of the Company, the consent of members of the Company be and is hereby accorded to the Board of Directors to borrow for and on behalf of the Company, from time to time, any sum or sums of monies, from any one or more of the Company's bankers and/or from any one or more other banks, persons, firms, companies/body corporate, financial institutions, institutional investor(s) and/or any other entity/entities or authority/authorities and whether by way of cash credit, advance, deposits, loans, long or short term loan(s), syndicated loans, as may be permitted by law from time to time, and/or any other instruments/securities or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company's assets, licenses and properties (whether movable or immovable, present or future) and all or any of the undertaking of the Company, stock-in-trade or debts, for the purpose of the Company's business, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company, if any, (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed, at any time, the aggregate of the Paid-up Capital of the Company and its Free Reserves, that is to say, reserves which are not set apart for any specific purposes, provided that the total amount up to which the monies may be borrowed by the Board of Directors and outstanding at any time shall not exceed INR 50 Crore /- (Indian Rupees Fifty Crore Only).

**RESOLVED FURTHER THAT** the Board of Directors of the Company and/or any person authorized by the Board from time to time in this regard be and is hereby empowered and authorised to arrange repayment, securities or otherwise as they may think fit.

**RESOLVED FURTHER THAT** the Board of Directors of the Company and/or any person authorized by the Board from time to time be and is hereby empowered and authorised to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 7 )

## Item No. 5: Power To Mortgage Property of the Company

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

**"RESOLVED THAT** pursuant to Section 180(1)(a) and any other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) (the "Act") read with the rules made thereunder as amended, consent and approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company for creation by the Board of Directors on behalf of the Company, of such mortgages/ charges/ hypothecation and floating charges (in addition to the existing mortgages / charges / hypothecation created by the Company in favour of the lenders) in such form and in such manner as may be agreed to between the Board of Directors and the lenders, on all or any of the present and future immovable and / or movable properties of the Company wherever situated, of every nature and kind whatsoever to secure any Indian Rupee or foreign currency loans, Debentures, advances and all other moneys payable by the Company to the lenders concerned, subject, however, to an overall limit of Rs. 50 Crores (Rupees Fifty Crores Only) of loans or advances already obtained or to be obtained from, in any form including by way of subscription to debentures issued or to be issued by the Company to, any financial institution, bank, body corporate, company, insurer or to the general public.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board of Directors, be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard, as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding.

## Item No. 6: Approval of Loans, Investments, Guarantee or Security under Section 185 of Companies Act, 2013.

To Consider and, if thought fit, to pass the following resolution, with or without Modifications as a "Special Resolution".

**"RESOLVED THAT** pursuant to Section 185 and all other applicable provisions of the Companies Act, 2013 read with Companies (Amendment) Act, 2017 and Rules made thereunder as amended from time to time, the consent and approval of the Members of the Company be and is hereby accorded to authorize the Board of Directors of the Company (hereinafter referred to as the Board, which term shall be deemed to include, unless the context otherwise required, any committee of the Board or any director or officer(s) authorised by the Board to exercise the powers conferred on the Board under this resolution) to advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any entity which is a subsidiary or associate or joint venture of the Company, (in

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 8 )

which any director is deemed to be interested) upto an aggregate sum of Rs. 50 Crores (Rupees Fifty Crores Only), which the Board in its absolute discretion deem beneficial and in the interest of the Company, provided that such loans are utilized by the borrowing company for its principal business activities.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution the Board of Directors of the Company be and is hereby authorized, to approve, decide, vary or modify the terms and conditions applicable for the aforesaid loan, Investment , Corporate Guarantee and to do all such acts, deeds, matters and things as they may, in their absolute discretion deem necessary, desirable or expedient and things in connection therewith and incidental thereto as the Board in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval there to expressly by the authority of this resolution."

By the order of the Board of directors of  
Shree Worstex Limited

Sd/-  
Kiran Mittal  
Director  
DIN:00749457

Date: 08.08.2020

Place: New Delhi

## NOTES

1. The Explanatory Statement pursuant to Section 102(1) of the companies Act, 2013 relating to the Special Business, if any to be transacted at the meeting is annexed hereto.
2. **A Member Entitled To Attend And Vote At The Annual General Meeting (The "Meeting") Is Entitled To Appoint A Proxy To Attend And Vote On A Poll Instead Of Himself/Herself And A Proxy Need Not Be A Member Of The Company. A blank form of proxy is enclosed herewith and if intended to be used, it should be deposited duly completed at the registered office of the company not less than forty eight hours before the scheduled time of the commencement of Annual General Meeting.**
3. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the



# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 9 )

Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

4. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the relevant Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. A brief resume of each of the Directors proposed to be re-appointed at this AGM, nature of their expertise in specific functional areas, names of companies in which they hold directorship and membership / chairmanships of Board Committees, shareholding and relationship between directors inter se as stipulated 3 under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other requisite information as per Clause 1.2.5 of Secretarial Standards-2 on General Meetings, are provided in Annexure 1
7. The requirement to place the matter relating to appointment of auditors for ratification by members at every Annual General Meeting is done away with vide notification dated 7th May, 2018, by the Ministry of Corporate Affairs, New Delhi. Accordingly no resolution is proposed for ratification of appointment of auditors who were appointed in the Annual General Meeting held on 29th September, 2015.
8. Pursuant to section 91 of the Companies Act, 2013, the register of members and the share transfer books of the Company will remain closed from Tuesday, 22nd September, 2020 to Monday, 28th September, 2020 (both days inclusive) for the purpose of Annual General Meeting .
9. The ISIN of the Equity Shares of Rs.10/- each is INE926R01012.
10. Sections 101 and 136 of the Companies Act, 2013 read with the rules made there under, permit the listed companies to send the notice of Annual General Meeting and the Annual Report, including financial statements, board's report, etc. by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those members who have registered their email ids with their respective depository participants or with the share transfer agent of the Company or for the other whose e-mail id is not registered same shall couriered to them.
11. Members may also note that the Notice of the AGM and the Annual Report for FY 2019-20 will also be available on the Company's website [www.shreeworstex.in](http://www.shreeworstex.in).

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 10 )

12. The following Statutory Registers are open for inspection of members and others at the registered office of the Company as prescribed in the respective sections of the Companies Act, 2013 as specified below:

- a. Register of contracts with related party and contracts and bodies etc. in which directors are interested under section 189 of the Companies Act, 2013 shall be open for inspection on all working days during business hours.
- b. Register of directors and key managerial personnel and their shareholding under section 170 of the Companies Act, 2013 shall be open for inspection on all working days during business hours.

The aforesaid registers shall be kept open for inspection at the Annual General Meeting by any person attending the meeting.

13. Members are requested to notify change in address, if any, to the Share Transfer Agent and to the Company quoting their Folio Numbers, number of shares held etc.
14. Members are requested to register their e-mail addresses for receiving communications including Annual Reports, Notices, and Circulars etc. by the Company electronically.
15. Members/proxies/ authorised Representatives are requested to bring to the Meeting necessary details of their Shareholding, attendance slip(s) and copies of their Annual Reports.
16. Members holding shares in demat form are requested to submit their Permanent Account Number (PAN) to their respective Depository Participant and those holding shares in physical form are requested to submit their PAN details to the company in order to comply with the SEBI guidelines.
17. Members are requested to bring along their Attendance Slip in the meeting, as enclosed with the Notice.
18. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Numbers and those who hold shares in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting.
19. Pursuant to the provisions of Section 72 of the Companies Act 2013, the member(s) holding shares in physical form may nominate, in the prescribed manner, a person to whom all the rights in the shares shall vest in the event of death of the sole holder or all the joint holders. Member(s) holding shares in demat form may contact their respective Depository Participant for availing this facility.
20. All documents referred to in accompanying Notice shall be open for inspection and shall be available at the registered office of the Company on all working days during business hours from the date of this Notice up to the date of AGM.

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 11 )

21. *SEBI has decided that securities of listed companies can be transferred only in dematerialised form from a cut-off date, to be notified. In view of the above and to avail various benefits of decartelisation members are advised to dematerialise shares held by them in physical form.*

## VOTING THROUGH ELECTRONIC MEANS

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Company is pleased to provide members facility to exercise their right to vote at the 37<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

The Company has approached NSDL for providing e-voting services through our e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e-voting on resolution placed by the Company on e- Voting system.

The Notice of the 37<sup>th</sup> Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form can be downloaded from the link [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or [www.shreeworstex.in](http://www.shreeworstex.in).

The facility for voting through Poling Paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

## PROCEDURE TO LOGIN TO E-VOTING WEBSITE

### **How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*

Step 1: Log in to NSDL's e-voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL's e-voting system.

**Details on Step 1 is mentioned below**

How to log in to the NSDL e-voting website

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 12 )

1. Visit the e-voting website of NSDL by opening your web browser and typing the following URL either on a desktop computer / laptop or on a mobile or scan the QR code using your smart phone.
2. Once the homepage of the e-voting system is launched, click on the icon, 'Login', available under Shareholders'.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL e-services, i.e. IDEAS, you can log in at <https://eservices.nsdl.com/> with your existing IDEAS log-in details. Once you log in to NSDL e-services using your log-in credentials, click on 'e-Voting' and proceed to Step 2, i.e., cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares, i.e., Demat (NSDL or CDSL) or Physical	User ID
a) For members who hold shares in demat accounts with NSDL	8-character DP ID followed by 8-digit Client ID  For example, if your DP ID is IN300*** and Client ID is 12***** then your User ID is IN300***12*****
b) For members who hold shares in demat account with CDSL	16-digit Beneficiary ID  For example, if your Beneficiary ID is 12***** then your user ID is 12*****
c) For members holding shares in physical form	EVEN, followed by Folio Number registered with the company  For example, if your EVEN is 101456, and Folio Number is 001*** then your User ID is 101456001***

5. Your password details are given below :
  - a) If you are already registered for e-voting, then you can use your existing password to log in and cast your vote.
  - b) If you are using the NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password', and change your password, as prompted by the system.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you by NSDL from your mailbox. Open the email and open the attachment (it will be a .pdf file). Open the file. The

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 13 )

password to open the file is your 8-digit client ID for your NSDL account, or the last 8 digits of your CDSL client ID, or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you have not received the 'initial password', or are unable to retrieve it, or have forgotten your password:
  - a) Click on the 'Forgot User Details / Password?' (for those holding shares in demat accounts with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) A 'Physical User Reset Password?' (for those holding shares in physical mode) option is also available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are unable to get your password following the aforesaid options, you can send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number / folio number, your PAN, your name, and your registered address.
7. After entering your password, agree to the terms and conditions by checking the box.
8. Next, click on the 'Login' button.
9. After you click on the 'Login' button, the homepage of e-voting will open.

## Details on Step 2 is given below

How to cast your vote electronically on the NSDL e-voting system?

1. After successfully logging in following Step 1, you will be able to see the e-voting homepage. Click on 'e-Voting'. Then, click on 'Active Voting Cycles'.
2. Upon clicking on 'Active Voting Cycles', you will be able to see the 'EVEN' of all the companies in which you hold shares and whose voting cycles are in 'active' status.
3. Select the 'EVEN' of the company for which you wish to cast your vote.
4. Now you are on the voting page and ready for e-voting.
5. Cast your vote by selecting appropriate options, i.e., assent or dissent, verify / modify the number of shares for which you wish to cast your vote, and click on 'Submit'. Also click on 'Confirm' when prompted.
6. Upon confirmation, the message, 'Vote cast successfully', will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 14 )

8. Please remember that you are not allowed to modify your vote once you confirm your vote on a resolution.

## GENERAL GUIDELINES FOR SHAREHOLDERS

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to amitkumar\_cs@hotmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

## OTHER INFORMATION

1. The e-voting period commences on September 25, 2020 (9:00 a.m.) and ends on September 27, 2020 (5:00 p.m.). During this period, members of the Company holding shares either in physical or dematerialized form, as on the relevant date i.e. Monday, September 21, 2020, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. A member will not be allowed to vote again on any resolution on which a vote has already been cast. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice convening the AGM and up to the cut-off date i.e. September 21, 2020, may obtain his login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of Monday, September 21, 2020.
3. A person who is not a member as on the cut-off date should treat this notice for information purpose only.
4. Shareholders of the Company, holding either in physical form or in dematerialized form, as on the cut-off date of Monday, September 21, 2020 may only cast their vote at the 37<sup>th</sup> Annual General Meeting.
5. Mr. Amit Kumar, Practicing Company Secretary (Membership No.: FCS 5917, C.P. No.: 6184) has been appointed as the Scrutinizer for the Purpose of Annual General Meeting.

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 15 )

6. The Scrutinizer shall immediately after the conclusion of voting at the AGM, first count the voting cast at the meeting and make a Scrutinizer's Report of the votes cast in favour or against, if any, and to submit the same to the Chairman of the AGM not later than two working days from the conclusion of the AGM.
7. The Results shall be declared forthwith after the submission of Scrutinizer's Report either by Chairman of the Company or by any person authorized by him in writing and the resolutions shall be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.
8. The Results declared along with the Scrutinizer's Report will be available on the website of the Company [www.shreeworstex.in](http://www.shreeworstex.in) after the declaration of the results by the Chairman.

MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.

By the order of the Board of directors of  
Shree Worstex Limited

Sd/-  
Kiran Mittal  
Director  
DIN No: 00749457

Date: 08.08.2020

Place: New Delhi

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 16 )

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

### Item No: 3

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("LODR Regulations") an Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and shall be eligible for re-appointment on passing of a Special Resolution by the Company and disclosure of such appointment in the Board Report. Mr. Jitender Kumar Agarwal (DIN: 00850314) were appointed as an Independent Directors (Non-Executive) of the Company for a period of five (5) years up to 42nd AGM.

The Nomination and Remuneration Committee on the basis of their skills, experience, knowledge and report of his performance evaluation recommended re- appointment of Mr. Jitender Kumar Agarwal (DIN: 00850314) as Non-Executive Independent Directors for a second term of five consecutive years on the Board of the Company w.e.f. 28th September, 2020 upto the conclusion of 42nd AGM.

The Company has received a notice in writing from the Directors under Section 160 of the Companies Act, 2013, proposing their candidature for the office of Independent Directors of the Company. The Board accordingly re-appointed them as Non - Executive Independent Directors not liable to retire by rotation for a further period of five years w.e.f. 28th September, 2020 .

Except for the Directors being appointed and their relatives, none of the Directors / Key Managerial Personnel of the Company / their relatives is, in any manner, concerned or interested, financially or otherwise, in the respective resolution set out at Item No. 03 of the Notice.

The Board recommends the Special Resolution set out at Item No. 03 of the Notice for approval by the shareholders.

The information or details required as per Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to him are given below:

S. No.	Name of the Director	Mr. Jitender Kumar Agarwal
1.	DIN	00850314
1.	Date of Birth	05/10/1952
2.	Date of Appointment	29/09/2015
3.	Qualification	M.A ( Economics)
4.	Experience &Expertise	He is Ex-Banker's and retired from Bank as Assistant General Manager. He had experience of 22 years in the field of banking &finance .



# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 17 )

5.	Directorship in other Public Entities	1. Rita Finance and leasing Limited 2. Delta Industrial Resources Limited
6.	Number of Shares Held in Company	NIL
7.	Chairman / Member of Committee(s) of Board of Directors of the Company	Member of 1 Committee in the board of the Company
8.	Chairman / Member of the Committee(s) of Board of Directors of other Companies in which he is a Director	Member of total Six (6) Committees and Chairman of One(1) Committees of Board of Directors of other Companies
9.	Whether related with other Directors / Key Managerial Personnel	NIL

## Item No. 4 and 5:

Under Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of a Company cannot, except with the consent of the shareholders in general meeting, borrow monies, apart from temporary loans obtained from the company's bankers in the ordinary course of business, in excess of the aggregate of the paid up capital and free reserves of the Company.

The increasing business operations and future growth plans of the Company would necessitate restructuring of the borrowing limits by authorizing the Board of Directors to borrow monies which may exceed at any time the aggregate of the paid-up capital of the Company and its free reserves but not exceeding Rs. 50 Crores.

The borrowings of the Company are, in general, required to be secured by suitable mortgage or charge on all or any of the movable and/ or immovable properties of the Company in such form, manner and ranking as may be determined by the Board of Directors of the Company, from time to time, in consultation with the lender(s).

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) read with Section 180 (1)(a) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 4 & 5 of the Notice.

The Board of Directors recommends the passing of the Special Resolutions as set out in the Item no. 4 and 5 of the Notice.

The nature of concern or interest, financial or otherwise, if any, in respect of power to borrow monies and/or mortgage properties (moveable/immovable):

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 18 )

- (i) Directors: None of the Directors of the Company is concerned or interested in the proposed resolution except to the extent of their shareholdings;
- (ii) Every other Key Managerial Personnel: NIL;
- (iii) Relatives: Only to the extent of their shareholdings.

## **Item No.6:**

The Company is expected to render support for the business requirements of other companies in the group, from time to time. However, owing to certain restrictive provisions contained in the Section 185 of the Companies Act, 2013, the Company was unable to extend financial assistance by way of loan, guarantee or security to other entities in the Group.

In the light of amendments notified effective May 7, 2018, inter-alia replacing the provisions Section 185 of Companies Act, 2013, the Company with the approval of members by way of special resolution, would be in a position to provide financial assistance by way of loan to other entities in the group or give guarantee or provide security in respect of loans taken by such entities, for their principal business activities. The members may note that board of directors would carefully evaluate proposals and provide such loan, guarantee or security proposals through deployment of funds out of internal resources / accruals and / or any other appropriate sources, from time to time, only for principal business activities of the entities in the Group.

Hence, in order to enable the company to advance loan to Subsidiaries/ Joint Ventures /associates/ other Companies/ Firms in which Directors are interested directly or indirectly under section 185 of the Companies Act, 2013 requires approval of members by a Special Resolution.

The Board of Directors Recommend the Special Resolution for approval by the members. All the Directors except for the Independent Directors are concerned or interested in the aforesaid resolution, financially or otherwise.

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 19 )

## ANNEXURE-1

Details of Directors seeking appointment/re-appointment at the Annual General Meeting pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2):

S. No.	Name of the Director	Mr. PAWAN KUMAR MITTAL
1.	DIN	00749265
2.	Date of Birth	07/12/1971
3.	Date of Appointment	24/05/2017
4.	Qualification	Chartered Accountant, B. Com
5.	Expertise	He has experience of 24 years in the field of finance and taxation. He is responsible for overall planning and management of the Company.
6.	Directorship in other Entities	<ol style="list-style-type: none"><li>1. Patback Business Limited</li><li>2. Delta Industrial Resources Limited</li><li>3. Gulmohar Investments and holdings Limited</li><li>4. Rita Finance and Leasing Limited (Formerly known as Rita Holdings Limited)</li><li>5. SkyboxIndustries Limited(Formerly known as Smart Capital Services limited)</li><li>6. Adishakti Loha And Ispat Limited ( Formerly Aawas Infratech Private Limited)</li><li>7. Dolf Leasing Limited</li><li>8. R.S. Football CLUB</li></ol>
7.	Number of Shares Held in Company	12,11,900
8.	Chairman / Member of Committee(s) of Board of Directors of the Company	Member in One (1) Committee of Board of Directors of Company
9.	Chairman / Member of the Committee(s) of Board of Directors of other Companies in which he is a Director	Member of total Seven (7) Committees of Board of Directors of other Companies
10.	Whether related with other Directors / Key Managerial Personnel	Spouse of Mrs. Kiran Mittal, Director of the Company

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 20 )

## SHREE WORSTEX LIMITED

Regd. Off: 325, IIIrd Floor, Aggarwal Plaza, Sector- 14, Rohini, New Delhi- 110085

Mob.: 9315202833, Email ID: shreeworstex@gmail.com, info@shreeworstex.in

Website: www.shreeworstex.in, CIN: L17111DL1982PLC013790

### ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

Name	
Address	
DP-ID/CLIENT-ID*	
Regd. Folio No.	
No. of shares held	
Whether the member is attending the meeting in person or by proxy or by authorized representative	
Name of the proxy (to be filed in if proxy attends instead of the member)	

I certify that I am a registered Shareholder/Proxy for the registered Shareholder of the Company. I/we hereby record my/our presence at the 37<sup>th</sup> Annual General Meeting of the Company held on Monday, September 28, 2020, at 02:00 P.M. at 325, III<sup>rd</sup> Floor, Aggarwal Plaza, Sector-14, Rohini, New Delhi-110085.

Signature of the Member/Proxy

(To be signed at the time of handing over the slip)

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 21 )

## SHREE WORSTEX LIMITED

Regd. Off: 325, IIIrd Floor, Aggarwal Plaza, Sector- 14, Rohini, New Delhi- 110085

Mob.: 9315202833, Email ID: shreeworstex@gmail.com, info@shreeworstex.in

Website: www.shreeworstex.in, CIN: L17111DL1982PLC013790

FORM NO. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L17111DL1982PLC013790

Name of the Company: SHREE WORSTEX LIMITED

Venue of the Meeting: 325, III<sup>rd</sup> Floor, Aggarwal Plaza, Sector-14, Rohini, New Delhi-110085

Date and Time: 28th September, 2020 at 02:00 P.M.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

Name	
Address	
DP-ID/CLIENT-ID/ Regd. Folio No.	
No. of shares held	

I/We, being the member(s) of ..... shares of the above named company, hereby appoint the following as my/our Proxy to attend vote (for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Monday, September 28, 2020, at 02:00 P.M. at 325, III<sup>rd</sup> Floor, Aggarwal Plaza, Sector-14, Rohini, New Delhi-110085 and at any adjournment thereof) in respect of such resolutions as are indicated below:

1. Name: _____	Address: _____
E-mail ID: _____	Signature: _____
or failing him/her	

2. Name: _____	Address: _____
E-mail ID: _____	Signature: _____
or failing him/her	

3. Name: _____	Address: _____
E-mail ID: _____	Signature: _____
or failing him/her	

I/We direct my/our Proxy to vote on the Resolutions in the manner as indicated below:

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 22 )

S. No.	Resolution	Number of shares held	For	Against
<b>Ordinary Business</b>				
1.	To receive, consider and adopt the Audited standalone Financial Statements of the Company for the Financial Year ended March 31, 2020 and the Reports of the Board of Directors and the Auditors thereon.			
2.	To appoint a Director in place of Mr. Pawan Kumar Mittal (DIN: 00749265) who retires by rotation and, being eligible, offers himself for re-election			
<b>Special Business</b>				
3.	Re-appointment of Mr. Jitender Kumar Agarwal (Din : 00850314) as an Independent Director .			
4.	Power of Borrowings			
5.	Power to Mortgage Property of the Company			
6.	Approval Of Loans, Investments, Guarantee or Security under Section 185 of Companies Act, 2013			

Signature of shareholder ..... Signature of Proxy holder(s) .....

Signed this ..... Day of ..... 2020

Affix  
Revenue  
Stamp

Note:

- This is optional to put a tick mark (✓) in the appropriate column against the resolutions indicated in the box. If a member leaves the "For" or "Against" column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a member wishes to abstain from voting on a particular resolution, he/she should write "Abstain" across the boxes against the Resolution.
- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- A Proxy need not be a member of the Company.
- The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 23 )

## SHREE WORSTEX LIMITED

Regd. Off: 325, III<sup>rd</sup> Floor, Aggarwal Plaza, Sector- 14, Rohini, New Delhi- 110085

Mob.: 9315202833, Email ID: shreeworstex@gmail.com, info@shreeworstex.in

Website: www.shreeworstex.in, CIN: L17111DL1982PLC013790

FORM NO. MGT-12

POLLING PAPER

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

CIN: L17111DL1982PLC013790

Name of the Company: SHREE WORSTEX LIMITED

Venue of the Meeting: 325, III<sup>rd</sup> Floor, Aggarwal Plaza, Sector-14, Rohini, New Delhi-110085

Date and Time: 28th September, 2020 at 02:00 P.M.

### BALLOT PAPER

S. No.	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No./*Client ID No.	
4.	Class of Share	

I hereby exercise my vote in respect of Ordinary/Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

S. No.	Resolution	Number of shares held	For	Against
<b>Ordinary Business</b>				
1.	To receive, consider and adopt the Audited standalone Financial Statements of the Company for the Financial Year ended March 31, 2020 and the Reports of the Board of Directors and the Auditors thereon.			
2.	To appoint a Director in place of Mr. Pawan Kumar Mittal (DIN: 00749265) who retires by rotation and, being eligible, offers himself for re-election			
<b>Special Business</b>				
3.	Re-appointment of Mr. Jitender Kumar Agarwal (Din : 00850314) as an Independent Director .			
4.	Power of Borrowings			
5.	Power to Mortgage Property of the Company			
6.	Approval Of Loans, Investments, Guarantee or Security under Section 185 of Companies Act, 2013			

Place:

Date:

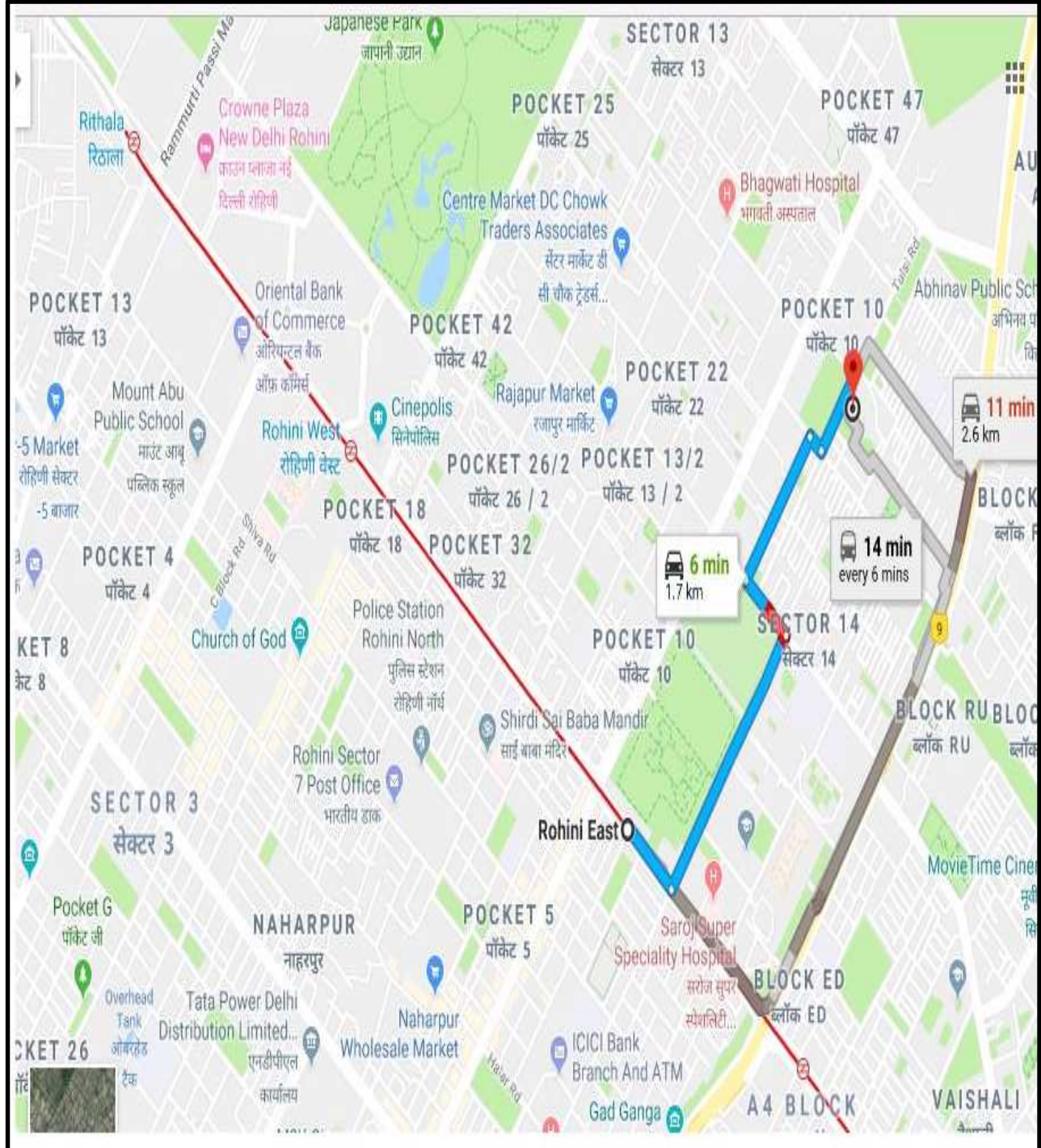
(Signature of the shareholder)

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 24 )

## ROUTE MAP





# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 25 )

## DIRECTOR'S REPORT

To the Shareholders,

Your directors take pleasure in presenting the 37<sup>th</sup> Annual Report on the business and operations of your Company along with the audited standalone financial statements for the year ended March 31, 2020.

### COMPANY OVERVIEW

Shree Worstex Limited was incorporated under Companies Act, 1956 on 2<sup>nd</sup> June, 1982. The Company is a Non Deposit Accepting Non-Banking Finance Company ("NBFC"), holding "Certificate of Registration no.: 14.00233" from the Reserve Bank of India ("RBI") dated 31<sup>st</sup> July, 2000. Equity Shares of the Company are listed on Metropolitan Stock Exchange of India Limited (MSEI) and BSE Limited .

### FINANCIAL SUMMARY/HIGH LIGHTS/PERFORMANCE OF THE COMPANY

The Company's financial results are as under:

Particular	( ₹in 000)	
	Current Year 2019-20	Previous Year 2018-19
Revenue from Operations	12,790.11	52,96.99
<b>Total revenue (including other income)</b>	<b>13,945.19</b>	<b>1,32,84.25</b>
<b>Total Expenses:</b>	<b>13,989.97</b>	<b>1,42,74.33</b>
<b>Profit before tax</b>	<b>(44.78)</b>	<b>(9,90.08)</b>
Tax Expenses:		
Less: Current tax	-	-
Add: Deferred tax	-	-
<b>Profit after tax</b>	<b>(44.78)</b>	<b>(9,90.08)</b>

### BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR

The total revenue from operations of your Company for the year ended March 31, 2020 stood at ₹ 12,790,113/- as against ₹ 52,96,996/- for the year ended March 31, 2019. The Company has incurred a loss (after tax) of ₹ (44,776)/- for the Year ended March 31, 2020 as compared to earlier loss of ₹ (9,90,079) in the previous year.

### STATE OF COMPANY'S AFFAIRS

With the expected positive momentum in the Indian economy, the Company is focused on growth and achieving profitability along with a renewed commitment to customer service. Innovations, investment and positive modifications are expected in the near future, boosting the Company's revenue. Together with forward looking strategy, the Company is also focusing extensively on expanding the business and operational improvements through various strategic projects for operational excellence.

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 26 )

## RESERVES

During the year under review, Company has not transferred any amount to special reserve Fund in terms of Section 45-IC of Reserve Bank of India Act, 1934, as the company has not earned any profit during the Year.

## RBI GUIDELINES

The Company continues to fulfill all the norms and standards laid down by the Reserve Bank of India for the Non Banking Financial Company.

## DIVIDEND

The Company needs further funds to enhance its business operations, to upgrade the efficiency and to meet out the deficiencies in working capital. The Directors, therefore, do not recommend any dividend on Equity Shares for the financial year 2019-20.

## DEPOSITS

During the year under review, the Company has not accepted any deposits from the public under Section 73 of the Companies Act, 2013 and rules made there under. There is no unclaimed or unpaid deposit lying with the Company.

## HOLDING, SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

The Company does not have any Holding, Subsidiary, Joint Venture or Associate Company.

## SHARE CAPITAL

As on 31<sup>st</sup> March 2020, Share Capital of the Company is ₹ 3,50,00,000/- (Rupees Three Crore Fifty Lakh) divided into 35,00,000 (Thirty Five Lakh) equity shares of ₹ 10/- (Rupees Ten) each.

As on 31<sup>st</sup> March 2020, issued, subscribed and Paid up share capital of the Company was ₹ 3,14,00,000/- (Rupees Three Crore Fourteen Lakh) divided into 31,40,000 (Thirty One Lakh Forty Thousand) equity shares of ₹ 10/- (Rupees Ten) .

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Shree Worstex Limited is a registered NBFC and the main objects of the Company is to provide loan, guarantees and made investments. Hence, the Company does not fall under the purview of the provisions of Section 186 of the Companies Act, 2013 and rules made there under w.r.t. its investment and lending activities. Details of Loans, Guarantees and Investments are given in the notes to the Financial Statements.

## LISTING OF EQUITY SHARES OF THE COMPANY

As on date Company's total 31,40,000 equity shares of ₹ 10/- each is listed on Metropolitan Stock Exchange of India Limited (MSEI) and BSE Limited.

## MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 27 )

In the opinion of the Board, there has been no 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.

## CHANGE IN NATURE OF BUSINESS

There was no change in the nature of business of the company in the financial year 2019-20.

## CREDIT RATING

The Directors of the Company are pleased to report that the Company has its membership Certificate from all four CICs i.e. Credit Information Bureau (India) Limited (CIBIL), Equifax Credit Information Services Private Limited (ECIS), Experian Credit Information Company of India Pvt Ltd, CRIF High Mark Credit Information Services Pvt Ltd.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

In view of the nature of the activities carried out by the Company, Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 relating to conservation of energy and technology absorption, are not applicable to the Company. However, the Company makes all efforts towards conservation of energy, protection of environment and ensuring safety. During the year under review, the Company had no earnings and expenditure in foreign exchange.

## PARTICULAR OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details, as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in "Annexure A" of this Report.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed Management Discussion and Analysis Report has been appended separately, are given in "Annexure B" of this Report.

## CORPORATE GOVERNANCE

Since, the paid-up capital of the Company is less than ₹ 10 Crores and Net worth is less than ₹ 25 Crores, the provisions of the Corporate Governance as stipulated under Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company. However, your Company has made every effort to comply with the provisions of the Corporate Governance and to see that the interest of the Shareholders and the Company are properly served. It has always been the Company's endeavor to excel through better Corporate Governance and fair & transparent practices, many of which have already been in place even before they were mandated by the law of land.

The management of Company believes that it will further enhance the level of Corporate Governance in the Company.

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 28 )

## **RISK MANAGEMENT**

Your Company being a NBFC is subjected to both Business and Financial risk. While the business risk associated with operating environment, ownership structure, Management, System & Policy, the financial risk lies in Asset Quality, Liquidity, Profitability and Capital Adequacy. The company recognizes these risks and makes best effort to mitigate them in time. Risk Management is also an integral part of the Company's business strategy.

Business Risk Evaluation and Management is an ongoing process within the Organization. The Company has a robust risk management framework to identify, monitor and minimize risk as also identify business opportunities.

## **INTERNAL CONTROL SYSTEMS**

The Company's Internal Control System is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by an internal audit process for reviewing the adequacy and efficiency of the Company's internal controls, including its systems and processes and compliance with regulations and procedures.

## **HEALTH, SAFETY AND ENVIRONMENT PROTECTION**

The Company has complied with all the applicable environmental law and labour laws. The Company has been complying with the relevant laws and has been taking all necessary measures to protect the environment and maximize worker protection and safety.

## **BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)**

### **Board of Directors**

As on March 31, 2020, your Board comprised of 5 (Five) Directors which includes two non executive directors (including women director) and three independent directors. Your Directors on the Board possess experience, competency and are renowned in their respective fields. All Directors are liable to retire by rotation except Independent Directors whose term of 5 consecutive years was approved by the Shareholders of the Company in the Annual General Meeting.

### **Key Managerial Personnel**

As on March 31, 2020 following members holds the position of Key Managerial Personnel are:

- Mrs. Nidhi Marwaha, Chief Executive Officer & Chief Financial officer
- Mr. Leeladhar Jha , Company Secretary & Compliance Officer

\* Mr. Leeladhar Jha ceased to be company secretary & Compliance Officer w.e.f August 08, 2020.

### **Board Evaluation**

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 29 )

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

### **Declaration given by Independent Directors**

Pursuant to Section 149(7) of the Companies Act, 2013 read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, the Company has received declarations from all the Independent Directors of the Company confirming that they meet the 'criteria of Independence' as prescribed under Section 149(6) of the Companies Act, 2013 and have submitted their respective declarations as required under Section 149(7) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **Familiarisation Programme**

The Company has put in place an induction and familiarisation programme for all its Directors including the Independent Directors.

### **Directors' Appointment and Remuneration Policy**

The Company's policy on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub section (3) of Section 178 of the Companies Act, 2013, as is adopted by the Board.

The Company has adopted a comprehensive policy on Nomination and Remuneration of Directors on the Board. As per such policy, candidates proposed to be appointed as Directors on the Board shall be first reviewed by the Nomination and Remuneration Committee in its duly convened Meeting. The Nomination and Remuneration Committee shall 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 the Directors, Key Managerial Personnel and other employees. The Nomination and Remuneration Committee shall ensure that—

- a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c) Remuneration to directors and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals. During the year under review, none of the Directors of the company receive any remuneration.

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 30 )

## DIRECTORS RESPONSIBILITY STATEMENT

In terms of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, your directors hereby confirm that:

- (a) in the preparation of the annual accounts for the financial year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts for the financial year ended March 31, 2020, on a going concern basis;
- (e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;' and the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## MEETINGS

### **Board Meetings**

The Board of Directors of the Company met Four (4) times during the financial year 2019-20. The meetings of Board of Directors were held on 24th May, 2019, 14th August, 2019, 14th November, 2019, and 13th February, 2020.

The Minutes of the Meetings of the Board of Directors are discussed and taken note by the board of directors.

The Statutory Auditor, Internal Auditor and Executive Directors/ Chief Financial Officer are invited to the meeting as and when required.

The composition of the Board of Directors, their attendance at Board Meetings and last Annual General Meeting is as under:

Name of the Director	Designation	Category	Number of Board Meetings during the year		Attendance of Last AGM
			Held	Attended	
Mr. Pawan Kumar Mittal	Director	Non Executive-Non Independent	4	4	Yes
Mrs. Kiran	Director	Non Executive-	4	4	Yes

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 31 )

Mittal		Non Independent			
Mr. Jitendra Kumar Aggarwal	Director	Non Executive-Independent	4	4	Yes
Mr. Pankaj Kapoor	Director	Non Executive-Independent	4	4	Yes
Mr. Avinash Sharma	Director	Non Executive-Independent	4	4	Yes

The necessary quorum was present in all the meetings. The intervening gap between any two meetings was not more than one hundred and twenty days as prescribed by the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. The agenda and Notice for all the Meetings was prepared and circulated in advance to the Directors.

## Information provided to the Board

The Board of the Company is presented with all information under the following heads, whenever applicable and materially significant. These are summarised either as part of the agenda will in advance of the Board Meetings or are tabled in the course of the Board Meetings. This, inter alia, includes:

- Annual operating plans of businesses, capital budgets, updates.
- Quarterly results of the Company and its operating divisions or business segments.
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
- Materially important litigations, show cause, demand, prosecution and penalty notices.
- Fatal or serious accidents.
- Any material default in financial obligations to and by the Company or substantial non-payment for services rendered by the Company.
- Any issue, which involves possible public liability claims of substantial nature, including any judgment or order, which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Transactions had involved substantial payments towards good-will, brand equity, or intellectual property.
- Significant development in the human resources front.
- Sale of material, nature of investments, assets which is not in the normal course of business.
- Quarterly update on the return from deployment of surplus funds.
- Non-compliance of any regulatory or statutory provisions or listing requirements as well as shareholder services as non-payment of dividend and delays in share transfer.
- Significant labour problems and their proposed solutions. Any significant development in Human Resources /Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.

## Independent Directors Meetings

In due compliance with the provisions of the Companies Act, 2013 read with the rules made there under a separate meeting of independent directors, performance of non-independent directors,

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 32 )

performance of the board as a whole was evaluated, taking into account the views of directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the Board, its committees and individual directors was discussed.

One (1) meeting of Independent Directors was held on March 05, 2020 during the year 2019-20.

## **Committee Meetings**

### **Audit Committee**

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting progress with a view to ensuring accurate timely and proper disclosures and transparency, integrity and quality of financial reporting. The Committee oversees the work carried out by the management, internal auditors on the financial reporting process and the safeguards employed by them.

### **Brief description of the terms of reference**

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position.
- Recommending the appointment, re-appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Reviewing the financial statements and draft audit report, including quarterly / half yearly financial information.
- Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
  - o Any changes in accounting policies and practices;
  - o Major accounting entries based on exercise of judgment by management;
  - o Qualifications in draft audit report;
  - o Significant adjustments arising out of audit;
  - o Compliance with accounting standard;
  - o Compliance with stock exchange and legal requirements concerning financial statements;
  - o Any related party transactions as per Accounting Standard 18.
  - o Reviewing the Company's financial and risk management policies.
  - o Disclosure of contingent liabilities.
  - o Reviewing with the management, external and internal auditors and the adequacy of internal control systems.
  - o Discussion with internal auditors of any significant findings and follow up thereon.
  - o 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.
  - o Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
  - o Reviewing compliances as regards the Company's Whistle Blower Policy.
- Mandatory review of following information



# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 33 )

- o Management discussion and analysis of financial condition and results of operations;
- o Statement of significant related party transactions, submitted by management;
- o Management letters / letters of internal control weaknesses issued by Statutory Auditors and;
- o Appointment, removal and terms of remuneration of Internal Auditor.

The Board has re-constituted the Audit Committee in accordance with the requirement of Companies Act, 2013 and other applicable provisions. All members of Audit Committee are financially literate and have financial management expertise. The Audit Committee comprises of three members including all members as independent director out of which one is chairman of this committee.

The Audit Committee met Four (4) times during the financial year 2019-20. The meetings of Audit Committee were held on 24th May, 2019, 14th August, 2019, 14th November, 2019 and 13th February, 2020.

The Minutes of the Meetings of the Audit Committee are discussed and taken note by the board of directors.

The Statutory Auditor, Internal Auditor and Executive Directors/ Chief Financial Officer are invited to the meeting as and when required.

The Composition of the Audit Committee and Their Attendance at the Meetings are as follows:

Name	Designation	No. of Meetings	
		Held	Attended
Mr. Avinash Sharma	Chairman	4	4
Mr. Pankaj Kapoor	Member	4	4
Mr. Jitendra kumar Aggarwal	Member	4	4

## Nomination and Remuneration Committee

The policy formulated under Nomination and Remuneration Committee are in conformity with the requirements as per provisions of sub-Section (3) of Section 178 of Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company had Constituted Nomination and Remuneration Committee to decide and fix payment of remuneration and sitting fees to the Directors of the Company as per provisions u/s 178 of the Companies Act, 2013.

The terms of reference of the remuneration committee in brief pertain to inter-alia, determining the Companies policy on and approve specific remuneration packages for executive director (s)/Manager under the Companies Act, 2013 after taking in to account the financial position of the Company, trend in the industry, appointees qualification, experience, past performance, interest of the Company and members.

This Nomination & Remuneration committee will look after the functions as enumerated u/s 178 of the Companies Act, 2013. This Committee has comprises three members including two members as independent directors out of which one member is chairman of the committee.

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 34 )

The Nomination and Remuneration Committee met Two (2) times during the financial year 2019-20. The meetings of Nomination and Remuneration Committee were held on 24th May, 2019 and 13th February, 2020.

The Minutes of the Meetings of the Nomination and Remuneration Committee are discussed and taken note by the board of directors.

The Statutory Auditor, Internal Auditor and Executive Directors/ Chief Financial Officer are invited to the meeting as and when required.

The Composition of the Nomination and Remuneration Committee and Their Attendance at the Meetings are as follows:

Name	Designation	No. of Meetings	
		Held	Attended
Mr. Avinash Sharma	Chairman	2	2
Mr. Pankaj Kapoor	Member	2	2
Mrs. Kiran Mittal	Member	2	2

## Stakeholder's Relationship Committee

The scope of the Stakeholders' Relationship Committee is to review and address the grievance of the shareholders in respect of share transfers, transmission, non-receipt of annual report, non-receipt of dividend etc, and other related activities. In addition, the Committee also looks into matters which can facilitate better investor's services and relations.

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has an independent Stakeholders' Relationship Committee to consider and resolve grievances of the Shareholders / Investors. This Committee has comprises three members including all members as independent directors out of which one member is chairman of the committee.

The Stakeholders' Relationship Committee met Two (2) time during the financial year 2019-20. The meetings of Stakeholders' Relationship Committee were held on 14th August, 2019 and 13th February, 2020.

The Minutes of the Meetings of the Stakeholders' Relationship Committee are discussed and taken note by the board of directors.

The Statutory Auditor, Internal Auditor and Executive Directors/ Chief Financial Officer are invited to the meeting as and when required.

The Composition of the Stakeholders' Relationship Committee and Their Attendance at the Meetings are as follows:

Name	Designation	No. of Meetings
------	-------------	-----------------

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 35 )

		Held	Attended
Mr. Avinash Sharma	Chairman	2	2
Mr. Pankaj Kapoor	Member	2	2
Mr. Pawan Kumar Mittal	Member	2	2

## Compliance Officer

Name	Ms. Nidhi Marwah Compliance Officer
Contact Details	325, III <sup>rd</sup> Floor, Aggarwal Plaza, Sector-14, Rohini, New Delhi 110085
E- mail Id	shreeworstex@gmail.com

## Shareholders Meetings

There was only one (1) annual general meeting of shareholders was held on September 28, 2019.

## AUDITORS

### Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company has appointed **G Aakash & Associates Company Secretaries** to undertake the Secretarial Audit of the Company for the Financial Year 2019-20.

- **Secretarial Auditors Reports**

The Secretarial Auditors have given Secretarial audit report in Form MR-3 for financial year 2019-20, are given in "**Annexure C**" of this report.

- **Secretarial Auditors Observations**

Secretarial Auditors observations are self explanatory. There was no adverse remark, observation and any disclaimer.

### Internal Auditors

Pursuant to the provision of Section 138 of the Companies Act, 2013 has mandated the appointment of Internal Auditor in the Company. Accordingly, the Board had appointed M/s S.K. Goel & Associates, Chartered Accountants, as the Internal Auditors of the Company for the financial year 2019-20.

- **Internal Auditors Reports**

The Internal Auditors have placed their internal audit report to the company.

- **Internal Auditors Observations**

Internal Audit Report was self explanatory and need no comments.

### Statutory Auditors

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 36 )

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. V.N. Purohit & Co., Chartered Accountants, were appointed in the 36th Annual General Meeting as the Statutory Auditors of the Company and for a period of five years hold office up to the conclusion of the 41st Annual General Meeting.

- **Statutory Auditors Reports**

The Statutory Auditors have given an audit report for financial year 2018-19, are given in "Annexure D" of this report.

- **Statutory Auditors Observations**

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualifications, reservations, adverse remarks or disclaimer. The Statutory Auditors have not reported any incident of fraud to the Audit Committee or the Board of Directors under Section 143(12) of the Companies Act, 2013 during the financial year ended March 31, 2019.

### **PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTIES UNDER SECTION 188 OF THE COMPANIES ACT, 2013**

The particulars of contracts or arrangements with related parties for the financial year 2019-20 along with the Financial Statements in Form No. AOC-2 are given in "Annexure E" of this report.

### **EXTRACT OF ANNUAL RETURN**

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in Form MGT 9 are given in "Annexure F" of this Report.

### **ENHANCING SHAREHOLDER VALUE**

Our Company firmly believes that its success in the market place and a good reputation is among the primary determination of value to the shareholders.

### **DEMATERIALISATION OF SHARES**

The Company has connectivity with NSDL & CDSL for dematerialization of its equity shares. The ISIN- INE926R01012 has been allotted for the Company. Therefore, the matter and/or investors may keep their shareholding in the electronic mode with their Depository Participates. 96.53% of the Company's Paid-up Share Capital is in dematerialized form and balance 3.47% is in physical form as on 31<sup>st</sup> March, 2020.

### **VIGIL MECHANISM (WHISTLE BLOWER POLICY)**

In compliance with the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board of Directors of your Company has adopted the Vigil Mechanism and Whistle Blower Policy.

The Company believes in the conduct of its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. The Company is

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 37 )

committed to develop a culture in which every employee feels free to raise concerns about any poor or unacceptable practice and misconduct. In order to maintain the standards has adopted lays down this Whistle Blower Policy to provide a framework to promote responsible and secure whistle blowing.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

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

## DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013 READ WITH RULES

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 Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2019-20:

- No of complaints received : 0
- No of complaints disposed off : N.A.

## HUMAN RESOURCES

People remain the most valuable asset of your Company. Your Company follows a policy of building strong teams of talented professionals. Your Company continues to build on its capabilities in getting the right talent to support different products and geographies and is taking effective steps to retain the talent. It has built an open, transparent and meritocratic culture to nurture this asset.

The Company recognizes people as its most valuable asset and The Company has kept a sharp focus on Employee Engagement. The Company's Human Resources is commensurate with the size, nature and operations of the Company.

## CORPORATE SOCIAL RESPONSIBILITY

The Company is not required to spend any amount in respect of Corporate Social Responsibility as provisions relating to Corporate Social Responsibility under Section 135 of Companies Act, 2013 is not applicable to Company.

## DISCLOSURE OF FRAUDS IN THE BOARD'S REPORT UNDER SECTION 143 OF THE COMPANIES ACT, 2013

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 38 )

During the year under review, your Directors do not observe any transactions which could result in a fraud. Your Directors hereby declares that the Company has not been encountered with any fraud or fraudulent activity during the Financial Year 2019-2020.

## OTHER DISCLOSURES

Your Directors state that during the financial year 2019-20:

- The Company did not issue any equity shares with differential rights as to dividend, voting or otherwise.
- The Company did not issue any Sweat Equity shares.
- The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.

## COMPLIANCE

The Company has complied and continues to comply with all the applicable regulations, circulars and guidelines issued by the Ministry of Corporate Affairs (MCA), Stock Exchange(s), Securities and Exchange Board of India (SEBI) etc.

The Company has complied with all applicable provisions of the Companies Act, 2013, Listing Agreement executed with the Stock Exchange(s), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable rules/regulations/guidelines issued from time to time.

## SECRETARIAL STANDARDS OF ICSI

Pursuant to the approval by the Central Government to the Secretarial Standards specified by the Institute of Company Secretaries of India on April 10, 2015, the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) came into effect from July 01, 2015. Thereafter, Secretarial Standards were revised with effect from October 01, 2017. The Company is in compliance with the Secretarial Standards.

## ACKNOWLEDGMENT

Your Directors wish to express their sincere appreciation for the support and cooperation, which the Company continues to receive from its clients, Banks, Government Authorities, Financial Institutions and associates and are grateful to the shareholders for their continued support to the Company. Your Directors place on record their appreciation for the contributions made and the efforts put in by the management team and employees of the Company at all level.

By the order of the Board of directors of  
For Shree Worstex Limited

Date: 31/08/2020  
Place: New Delhi

Sd/-  
Pawan Kumar Mittal  
Director  
DIN: 00749265

Sd/-  
Kiran Mittal  
Director  
DIN: 00749457



# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 40 )

NIL

B. Name of employee whose remuneration in aggregate was not less than eight lakh and fifty thousand per month if employed for part of the financial year 2019-20:

Name & Designation	Age (in Years)	Remuneration Received	Nature of Employment (Contractual or otherwise)	Qualification & Experience	Date of commencement of Employment	Last Employment	%of Equity Share held	Whether related to Director or Manager
NIL								



# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 41 )

Annexure-B

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### INDUSTRY STRUCTURE AND DEVELOPMENT

The year witnessed a highly dynamic situation of our country, India must be consistent in regaining its position as a leading emerging market investment destination. This can only be possible if consistency and clarity is in our policies. In anticipation of the election results the equity markets have created an all time high and currency markets are buoyant but investors (private and foreign) are waiting for stability of governance. They will see policy actions before committing long term capital to India. Basically, India is experiencing a difficult economic situation on the growth, asset quality, inflation and fiscal deficit fronts. Growth estimation graph shows bottomward trends but recovery is predicated upon clarity of policy matters and decision making by the Government. Both of the factors are out of the control of private enterprises.

The past year has been a challenging year for our Industry with lots of ups and downs. Inspite of the above, the industry has been able to maintain its steady performance during the year under review.

Your Company's performance for the year 2019-20 has to be viewed in the context of aforesaid economic and market environment.

### OPERATING RESULTS OF THE COMPANY

The total revenue from operations of your Company for the year ended March 31, 2020 stood at ₹ 12,790,113/- as against ₹ 52,96,996/- for the year ended March 31, 2019. The Company has incurred a loss (after tax) of ₹ (44,776)/- for the Year ended March 31, 2020 as compared to earlier loss of ₹ (9,90,079) in the previous year.

### OPPORTUNITIES

- i) There is a provision of more FDI and investment opportunities.
- ii) Withdrawal of quota restriction is contributing immensely in market development.
- iii) The global needs are being catered with product development.
- iv) An upsurge in the purchasing power and disposable income of Indian customers has opened room for new market development.

### THREATS

- i) Inflation could trigger increase in consumer price inflation, which would dampen growth.
- ii) Threats for this Industry are very common and every person is aware of the threats and the risks involved with this Industry.
- iii) Striking a balance between demand and supply.
- iv) Unfavorable economic development.
- v) Market risk arising from changes in the value of financial instruments as a result of changes in market variables like interest rate and exchange rates.

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 42 )

## PROSPECT & OUTLOOK

The management is of the view that the future prospects of your company are bright and the performance in the current year is expected to be very well. The committed customers of the company are expected to place more orders, which ultimately affect the top line of the company, positively.

## RISKS AND CONCERNS

The Company has taken adequate preventive and precautionary measures to overcome all negative factors responsible for low trend to ensure steady growth.

## INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

There are well-established procedures for Internal Controls for operations of the company. The finance & audit functions are well equipped with professionally experienced qualified personnel & play important roles in implementing the statutory obligations. The company has constituted Audit Committee for guidance and proper control of affairs of the company.

## HUMAN RESOURCES

Human Resources are highly valued assets at Shree Worstex Limited. The company seeks to attract, retain and nurture technical & managerial talent across its operations and continues to create, sustain the environment that brings out the best in our people with emphasis on training, learning & development. It aims at career progression and fulfilling satisfactory needs. Performance is recognized and rewarded through up gradation & job enrichment, performance incentives.

## MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATION FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The employees are satisfied and having good relationship with the Management.

## DISCLOSURE OF ACCOUNTING TREATMENT

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 ("the 2013 Act") and the relevant provisions of the 2013 Act, as applicable. The financial statements have been prepared on going concern basis under the historical cost convention on accrual basis. The Company has follows to continue with the period of 1st day of April to 31st day of March, each year as its financial year for the purpose of preparation of financial statements under the provisions of Section 2(41) of the Companies Act, 2013.

## CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations, predictions and assumptions may be "FORWARD LOOKING" within the meaning of applicable Laws and Regulations. Actual results may differ materially from those expressed herein, important factors that could influence the Company's operations include domestic economic Conditions affecting demand, supply, price conditions, and change in Government's regulations, tax regimes, other statutes and other factors such as industrial relations.

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 43 )

Annexure-C

Form No. MR-3

## SECRETARIAL AUDIT REPORT

*FOR THE FINANCIAL YEAR ENDED MARCH 31, 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,

SHREE WORSTEX LIMITED

CIN: L17111DL1982PLC013790

325, IIIrd Floor, Aggarwal Plaza,

Sector-14, Rohini, New Delhi-110085

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SHREE WORSTEX LIMITED** (hereinafter referred to as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **March 31, 2020** (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter along with Annexure-A attached to this report.

- I. The Company is engaged in the business of Non Banking Financial Institution as defined in Section 45 I (a) of the Reserve Bank of India Act, 1934 and carrying a Certificate of registration issued by Reserve Bank of India, New Delhi bearing certificate number 14.00233.
- II. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 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;

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 44 )

- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB); **(Not applicable to the Company during the Audit Period)**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
  - b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended till date;
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the Audit Period);**
  - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit Period);**
  - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period);**
  - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period);**
  - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period);**
- vi. Other Laws applicable to the Company:-

We have examined the framework, processes, and procedures of compliances of laws applicable on the Company in detail. We have examined reports, compliances with respect to applicable laws on test basis. Other Miscellaneous and state laws.

- a) Income Tax Act, 1961;
- b) Goods and Services Tax Act, 2017

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

- c) Secretarial Standards issued by The Institute of Company Secretaries of India;
- d) The Securities and Exchange Board of India (Listing Obligations and Disclosure

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 45 )

Requirements) Regulations, 2015 as amended from time to time and the Listing Agreements entered into by the Company with Metropolitan Stock Exchange of India Limited (MSEI).

e) During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, and Guidelines to the extent applicable, Standards, etc. mentioned above subject to following:

1. In terms of Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Listed Entity has not filed the Annual Secretarial Compliance Report with the Stock Exchange for the financial year ending 31st March, 2019.
2. In terms of Regulation 31 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Listed Entity has not filed the shareholding pattern with the Stock Exchange for the quarter ending 30th September, 2019 within due time frame i.e. 21 Days from the end of quarter.

As per Regulation 15(2) of SEBI (LODR) Regulations, 2015, the compliances with the corporate governance provisions as specified in Reg. 17 to 27 and Clause (b) to (i) of Regulation 46(2) and Para C, D, E of Schedule V for Corporate Governance do not apply to this Listed Entity as the Paid-up share capital of the Listed Entity is Rs. 3,14,00,000/- (i.e. less than Rs. 10 Crore) and Net Worth is Rs. 4,13,80,558/- (i.e. less than Rs. 25 Crores) as on the last day of the previous financial year. During the audit, we observed that the company is voluntarily complying the provisions to the extent possible as a part of good corporate governance practice.

Based on the information received and records maintained, we further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive, women and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice of at least seven days was given to all directors to schedule the Board Meetings along with agenda and detailed notes on agenda 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 in compliance of the Act.

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 46 )

3. Majority decision is carried through and recorded in the minutes of the Meetings. Further as informed, no dissent was given by any director in respect of resolutions passed in the board and committee meetings.

Based on the compliance mechanism established by the company and on the basis of the Compliance Certificate (s) placed and taken on record by the Board of Directors at their meeting (s), 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 the company has not incurred any specific event / action that can have major bearing on the company's affairs in pursuance of above referred laws, rules, regulations; guidelines, standards etc.

**For G AAKASH & ASSOCIATES  
COMPANY SECRETARIES**

**AAKASH GOEL  
(PROP.)**

**M. NO.: A57213**

**CP NO.: 21629**

**UDIN: A057213B000591758**

**Date: 18.08.2020**

**Place: Haryana**

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 47 )

## ANNEXURE-A

To,  
The Members,

SHREE WORSTEX LIMITED  
CIN: L17111DL1982PLC013790  
325, IIIrd Floor, Aggarwal Plaza,  
Sector-14, Rohini, New Delhi-110085

Sub: Our Secretarial Audit for the Financial Year ended March 31, 2020 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. We believe that the processes and practices, we followed provide a reasonable basis to our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever 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 the management. Our examination was limited to the verification of the 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.

For G AAKASH & ASSOCIATES  
COMPANY SECRETARIES

AAKASH GOEL  
(PROP.)  
M. NO.: A57213  
CP NO.: 21629  
UDIN: A057213B000591758

Date: 18.08.2020  
Place: Haryana

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 48 )

Annexure-D

## Independent Auditor's Report

To  
The members of  
**SHREE WORSTEX LIMITED**

## Report on the Audit of Financial Statements

### Opinion

We have audited the accompanying financial statements of **SHREE WORSTEX LIMITED** ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March 2020, the statement of profit and loss, statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31<sup>st</sup> March, 2020, and the **net loss** (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

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



# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 49 )

S. No.	Key audit matters	Auditor's response
1.	<p><b><u>Loans and advances:</u></b> -</p> <p>In current year, Indian Accounting Standards under Division III of Schedule III of the Companies Act, 2013 have become applicable upon the Company with transition effect from 1<sup>st</sup> April 2018.</p> <p>Due to this, all the loans whether given or obtained, are to be disclosed at Amortised Cost using Effective Interest Method prescribed under Ind AS 109 on 'Financial Instruments'.</p> <p>We focused on the conditions of disbursement and appropriateness of sanctioning process of the loan granted by the Company.</p>	<p>Our audit procedure inter- alia includes the following: -</p> <ol style="list-style-type: none"><li>1. We evaluated the control environment including authorization, sanctioning and disbursement of significant loans advanced during the year.</li><li>2. We have obtained external confirmations from third parties in respect of transactions and closing balance for significant loans advanced by the company.</li><li>3. We tested all material entries recorded in connection with the loan advanced and interest thereon to determine whether the accounting was appropriate.</li></ol>
2.	<p><b><u>Compliance of RBI directions and circulars:</u></b></p> <p>The recent RBI regulations increased the responsibility of auditors of NBFCs.</p> <p>As Company is an NBFC, it is responsibility of Company to duly follow the directions and circulars.</p> <p>We focused on the requisite compliance and disclosure as per the requirements in the norms.</p>	<p>Our audit procedure inter- alia includes the following: -</p> <p>We have reviewed the conditions for prudential norms prescribed by the RBI including: -</p> <ol style="list-style-type: none"><li>a) Provision on standard assets.</li><li>b) Transfer of 20% profit to reserve maintain under section 45-IC of the RBI Act.</li><li>c) Holding of at least 50% of the financial assets and 50% of the financial income respectively.</li><li>d) Maintaining minimum Net Owned Fund of Rs. 200 Lakhs.</li></ol>

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 50 )

## **Information other than the Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and the auditor's report thereon.

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

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

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

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the AS and the 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that are operating effectively for insuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

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

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

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

Our objectives are to obtain a reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our report that

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 51 )

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 due to fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Materiality is the magnitude of misstatements in the financial statement, individually or in aggregate, makes it probable that the economic decision of reasonable knowledgeable user of the financial statement 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 financial statements.

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 52 )

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 controls 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, relevant safeguards.

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

## Other Matters

We draw your attention to Note 29 of the financial statement which explains the uncertainties and management's assessment of the financial impact due to the lockdown/ restrictions related to COVID-19 pandemic imposed by the Government for which definitive assessment of the impact is dependent upon the future economic conditions. Our opinion is not modified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
2. The Company is a Non-Banking Financial Company not accepting public deposits and holding certificate of Registration No. 14.00233 dated 31/07/2000 from Reserve Bank of India has been issued to the Company.
  - a) The Board of Directors has passed resolution for the non-acceptance of any public deposits.
  - b) The Company has not accepted any public deposits during the relevant year.
  - c) The Company has complied with the prudential norms relating to income recognition, accounting standards, assets classification and provision for bad and doubtful debts as applicable to it.
3. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 53 )

- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. the Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the accounting standards specified under Section 133 of the Act;
- e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 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 our separate Report in **Annexure B**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. 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, if any of pending litigations on its financial position, in its financial statements (Refer Note 28 of the financial statements).
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. The Company is not required to transfer any amount to the Investor Education and Protection Fund.

**FOR V.N. PUROHIT & CO.**  
**Chartered Accountants**  
Firm Regn. No. 304040E

**O.P. Pareek**  
Partner  
Membership No. 014238  
UDIN: - 20014238AAAACR3134

New Delhi, the 30<sup>th</sup> day of June, 2020

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 54 )

## ANNEXURE- A TO THE AUDITOR'S REPORT

The Annexure referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date to the members of **SHREE WORSTEX LIMITED** for the year ended on 31<sup>st</sup> March 2020.

- (i) As per information and explanation given to us, the company does not have any fixed assets during the period covered by this report, thus the provisions of sub-clause (i) of paragraph 3 are not applicable;
- (ii) As per information and explanation given to us, physical verification of inventory consisting of equity shares has been conducted once in a year by the management and no material discrepancies were noticed during the course of physical verification;
- (iii) According to information and explanation given to us, the Company has granted unsecured loans to another Company covered in register maintained under section 189 of the Companies Act, 2013;
  - (a) According to the information and explanations given to us, unsecured loans have been granted by the Company. The terms and conditions of the granting of such loans are not prima facie prejudicial to the Company's interest;
  - (b) According to the information and explanations given to us, the unsecured loans are repayable on demand and receipt of principal and interest thereupon are regular as per stipulation;
  - (c) According to the information and explanation given to us, no amount is overdue in respect of unsecured loan so granted as per stipulation.
- (iv) According to information and explanations given to us, the Company has complied with the provisions of section 185 and section 186 of the Companies Act, 2013 to the extent applicable in respect of loans, advances, guarantees and securities so given;
- (v) According to information and explanations given to us, the Company has not accepted public deposits and the provision of section 73 to 76 or other relevant provisions of the Companies Act, 2013 and rules framed thereunder are not applicable to the Company;
- (vi) According to information and explanations given to us, the Company is not liable to maintain cost records as prescribed under section 148(1) of the Companies Act, 2013;
- (vii) (a) According to information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including income-tax and any other applicable statutory dues to the appropriate authorities and there are no outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable;

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 55 )

(b) According to information and explanation given to us, there are no outstanding statutory dues on the part of the Company which is not deposited on account of any dispute.

- (viii) According to information and explanations given to us, the company has not obtained any loans and borrowings from any financial institution, bank, government or debenture holders, thus there arises no question of default in repayment;
- (ix) According to information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer. The Company has not taken any term loans from any bank or financial institution;
- (x) According to information and explanations given to us, there is no noticed or unreported fraud on or by the Company during the year under audit;
- (xi) According to information and explanations given to us, the Company has not paid any managerial remuneration to managing director/ whole time director/ manager and thus the provisions of this sub-clause are not applicable to the Company;
- (xii) As per information, the Company is not a Nidhi Company, hence provisions of sub- clause (xii) of the Paragraph 3 of the Order are not applicable;
- (xiii) According to information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards;
- (xiv) According to information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year;
- (xv) According to information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him;
- (xvi) According to information and explanations given to us, the Company is a Non- Banking Financial Company and registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Signed for the purpose of identification

**FOR V.N. PUROHIT & CO.**

**Chartered Accountants**

Firm Regn. No. 304040E

**O.P. Pareek**

Partner

Membership No. 014238

UDIN: - 20014238AAAACR3134

New Delhi, the 30<sup>th</sup> day of June, 2020

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 56 )

## ANNEXURE- B TO THE AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **SHREE WORSTEX LIMITED** as on 31<sup>st</sup> March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material aspects.

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

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

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



# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 57 )

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and the receipt and expenditures of the Company are being 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 financial statements.

## **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and could not be detected. Also, projections of any evaluation of the internal financial control over financial reporting to future periods are subject to the risk that the internal financial controls 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 aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2020, based on "the internal financial controls over financial reporting criteria 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 V.N. PUROHIT & CO.**

**Chartered Accountants**

Firm Regn. No. 304040E

**O.P. Pareek**

Partner

Membership No. 014238

UDIN: - 20014238AAAACR3134

New Delhi, the 30<sup>th</sup> day of June, 2020

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 58 )

## SHREE WORSTEX LIMITED

CIN: L17111DL1982PLC013790

BALANCE SHEET AS AT 31ST MARCH 2020

		(Rupees in '000')		
		As at	As at	As at
	Notes	31st March 2020	31st March 2019	1st April 2018
<b>ASSETS</b>				
<b>Financial assets</b>				
Cash and cash equivalents	3	247.37	5,467.52	99.54
Receivables	4			
- Trade receivables		-	5,800.00	8,775.86
Loans	5	36,450.00	13,700.00	36,204.00
Investments	6	6,449.21	1,804.52	218.60
Other financial assets	7	5,411.22	4,773.57	4,373.98
<b>Non-financial assets</b>				
Inventories	8	1,384.00	13,674.00	17,105.00
Current tax assets (net)		316.43	924.70	-
Deferred tax assets (net)	14	-	-	8.15
Other non-financial assets	9	31.91	-	55.74
<b>Total Assets</b>		<b>50,290.14</b>	<b>46,144.31</b>	<b>66,840.87</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Financial liabilities</b>				
<b>Payables</b>				
<b>Trade payables</b>				
outstanding dues of creditors other than micro enterprises and small enterprises	10	293.56	301.27	-
Borrowings (other than debt securities)	11	6,000.00	6,378.00	11,795.60
Other financial liabilities	12	1,294.96	903.80	15,788.28
<b>Non-financial liabilities</b>				
Current tax liabilities (net)			-	644.74
Provisions	13	91.13	41.19	101.44
Deferred tax liabilities	14	1,224.79	162.08	-
Other non financial liabilities	15	5.15	464.68	172.20
<b>EQUITY</b>				
Equity share capital	16	31,400.00	31,400.00	31,400.00
Other equity	17	9,980.55	6,493.29	6,938.61
<b>Total Liabilities and Equity</b>		<b>50,290.14</b>	<b>46,144.31</b>	<b>66,840.87</b>
Notes to the financial statements	1-35			

The accompanying notes form an integral part of the financial statements.  
As per our report of even date

FOR V. N. PUROHIT & CO.  
Chartered Accountants  
Firm Regn. No. 014238

For and on behalf of the Board of Directors of  
SHREE WORSTEX LIMITED

O. P. Pareek  
Partner  
Membership No. 014238  
UDIN:- 20014238AAAACR3134

Pawan Kumar Mittal  
Director  
DIN: 00749265

Kiran Mittal  
Director  
DIN: 00749457

New Delhi, the 30th day of June, 2020

Nidhi Marwaha  
CFO & CEO

Leeladhar Jha  
Company Secretary

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 59 )

## SHREE WORSTEX LIMITED

CIN: L17111DL1982PLC013790

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2020

		(Rupees in '000')	
	Notes	For the year ended on 31st March 2020	For the year ended on 31st March 2019
<b>REVENUE</b>			
Revenue from operations	18	12,790.11	5,296.99
Other Income	19	1,155.08	7,987.26
<b>Total Revenue (I)</b>		<b>13,945.19</b>	<b>13,284.25</b>
<b>EXPENSES</b>			
Finance costs	20	-	428.01
Purchases of stock in trade	21	-	6,212.05
Changes in inventories of stock in trade	22	12,290.00	3,431.00
Employee benefits expenses	23	823.21	657.76
Other expenses	24	876.76	3,545.52
<b>Total (II)</b>		<b>13,989.97</b>	<b>14,274.34</b>
<b>Profit/ (loss) before exceptional items and tax (I-II)</b>		<b>(44.78)</b>	<b>(990.09)</b>
Exceptional items		-	-
<b>Profit/ (loss) before tax</b>		<b>(44.78)</b>	<b>(990.09)</b>
Tax expense			
Current tax		-	-
Deferred tax		-	-
<b>Profit/ (loss) after tax (III)</b>		<b>(44.78)</b>	<b>(990.09)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
(i) Items that will not be reclassified to profit or loss			
- Equity instruments through other comprehensive income- gain/ (loss)		4,644.69	654.74
(ii) Income tax relating to items that will not be reclassified to profit or loss		(1,062.71)	(170.23)
<b>Total Other Comprehensive Income (IV)</b>		<b>3,581.98</b>	<b>484.51</b>
<b>Total Comprehensive Income (III+IV)</b>		<b>3,537.20</b>	<b>(505.58)</b>
<b>Earning per equity share (EPS)</b>			
[nominal value of share Rs. 10]			
Basic (in Rupees)		(0.01)	(0.32)
Diluted (in Rupees)		(0.01)	(0.32)

The accompanying notes are an integral part of the financial statements.  
As per our report of even date

FOR V. N. PUROHIT & CO.  
Chartered Accountants  
Firm Regn. No. 014238

For and on behalf of the Board of Directors of  
SHREE WORSTEX LIMITED

O. P. Pareek  
Partner  
Membership No. 014238  
UDIN:- 20014238AAAACR3134

Pawan Kumar Mittal  
Director  
DIN: 00749265

Kiran Mittal  
Director  
DIN: 00749457

New Delhi, the 30th day of June, 2020

Nidhi Marwaha  
CEO & CFO

Leeladhar Jha  
Company Secretary

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 60 )

## SHREE WORSTEX LIMITED

CIN: L17111DL1982PLC013790

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2020

	(Rupees in '000')	
	For the year ended on 31st March 2020	For the year ended on 31st March 2019
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit/ (loss) before tax and after extra- ordinary items	(44.78)	(990.09)
Adjustments for items: -		
Interest income	(10,535.17)	(3,357.04)
Finance cost	-	428.01
Loss on valuation of inventories	2,120.19	-
Bad debts written off	1.18	-
Operating Profit before working capital changes	(8,458.58)	(3,919.12)
Working capital adjustments: -		
(Increase)/ decrease in receivables	5,800.00	2,975.86
(Increase)/ decrease in other financial assets	(637.65)	(399.59)
(Increase)/ decrease in other non financial assets	(31.91)	55.74
(Increase)/ decrease in inventories	10,169.81	3,431.00
Increase/ (decrease) in trade payables	(7.71)	301.27
Increase/ (decrease) in other financial liabilities	391.16	(14,884.48)
Increase/ (decrease) in non financial liabilities	(459.53)	292.48
Cash generated from operations	6,765.59	(12,146.84)
Direct taxes paid	608.27	(1,569.43)
<b>Net cash flow from operating activities (A)</b>	<b>7,373.86</b>	<b>(13,716.27)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale/ (purchase) of investments	-	(931.18)
Net proceeds from loans	(22,751.18)	22,504.00
Interest Income	10,535.17	3,357.04
<b>Net cash flow from investing activities (B)</b>	<b>(12,216.01)</b>	<b>24,929.86</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net proceeds from borrowings	(378.00)	(5,417.60)
Finance cost	-	(428.01)
<b>Net cash flow from financing activities (C)</b>	<b>(378.00)</b>	<b>(5,845.61)</b>
<b>Net cash flow during the year (A + B + C)</b>	<b>(5,220.15)</b>	<b>5,367.98</b>
Add: Opening cash and cash equivalents	5,467.52	99.54
<b>Closing cash and cash equivalents</b>	<b>247.37</b>	<b>5,467.52</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	99.12	99.12
Balances with banks in current accounts	148.25	5,368.40
<b>Total cash and cash equivalents (Note 3)</b>	<b>247.37</b>	<b>5,467.52</b>

The accompanying notes form an integral part of the financial statements.  
As per our report of even date

FOR V. N. PUROHIT & CO.  
Chartered Accountants  
Firm Regn. No. 014238

For and on behalf of the Board of Directors of  
SHREE WORSTEX LIMITED

O. P. Pareek  
Partner  
Membership No. 014238  
UDIN:- 20014238AAAACR3134

Pawan Kumar Mittal  
Director  
DIN: 00749265

Kiran Mittal  
Director  
DIN: 00749457

New Delhi, the 30th day of June, 2020

Nidhi Marwaha  
CFO & CEO

Leeladhar Jha  
Company Secretary

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 61 )

## SHREE WORSTEX LIMITED

CIN: L17111DL1982PLC013790

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31ST MARCH 2020

### A. Equity Share Capital

(Rupees in '000')

Balance as at 1st April 2018	Changes in equity share capital during the year	Balance as at 31st March 2019
31,400.00	-	31,400.00
Balance as of 1st April 2019	Changes in equity share capital during the year	Balance as at 31st March 2020
31,400.00	-	31,400.00

### B. Other Equity

(Rupees in '000')

Particulars	Reserve & Surplus		Equity Instruments through Other Comprehensive Income	Total
	Statutory Reserve (U/s 45-IC of the RBI Act, 1934)	Retained Earnings		
Balances as at 1st April 2018	1,436.93	5,501.68	-	6,938.61
Profit/(loss) for the year	-	(990.09)	-	(990.09)
<b>Other comprehensive income (net)</b>				
Remeasurement of Investments carried at FVTOCI	-	-	484.51	484.51
Total other comprehensive income	-	-	484.51	484.51
<b>Total Comprehensive Income</b>	-	<b>(990.09)</b>	<b>484.51</b>	<b>(505.58)</b>
Transfer from Provision for standard Assets	-	60.26	-	60.26
<b>Balance as at 31st March 2019</b>	<b>1,436.93</b>	<b>4,571.85</b>	<b>484.51</b>	<b>6,493.29</b>
<b>Balance as at 1st April 2019</b>	<b>1,436.93</b>	<b>4,571.85</b>	<b>484.51</b>	<b>6,493.29</b>
Profit/(loss) for the year	-	(44.78)	-	(44.78)
<b>Other comprehensive income (net)</b>				
Remeasurement of Investments carried at FVTOCI	-	-	3,581.98	3,581.98
Total other comprehensive income	-	-	3,581.98	3,581.98
<b>Total Comprehensive Income</b>	-	<b>(44.78)</b>	<b>3,581.98</b>	<b>3,537.20</b>
Transfer from Provision for standard Assets	-	(49.94)	-	(49.94)
<b>Balance as at 31st March 2020</b>	<b>1,436.93</b>	<b>4,477.13</b>	<b>4,066.49</b>	<b>9,980.55</b>

Notes to the financial statements

1-35

The accompanying notes form an integral part of the financial statements

As per our report of even date

FOR V. N. PUROHIT & CO.

Chartered Accountants

Firm Regn. No. 014238

For and on behalf of the Board of Directors of

SHREE WORSTEX LIMITED

O. P. Pareek

Partner

Membership No. 014238

UDIN:- 20014238AAAACR3134

Pawan Kumar Mittal

Director

DIN: 00749265

Kiran Mittal

Director

DIN: 00749457

New Delhi, the 30th day of June, 2020

Nidhi Marwaha

CFO & CEO

PAN: AMFPM6907N

Leeladhar Jha

Company Secretary

PAN: AMFP14361C

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 62 )

## 1. Corporate Information:

Shree Worstex Limited is a company incorporated on 2<sup>nd</sup> day of June, 1982. It is registered with Registrar of Companies, Delhi. The company is primarily engaged in the business of Non Banking Finance Company in India.

## 2. Significant Accounting Policies:

### 2.1 Statement of Compliance:

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015. These are Company's first financial statements prepared in accordance with Ind AS and Ind AS 101 'First time adoption of Indian Accounting Standards' has been applied. An explanation and effect of transition from Indian GAAP (Referred to as "Previous GAAP") to Ind AS has been described in note 2.3 (iii)(c) to these financial statements.

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### 2.2 Basis for preparation of financial statements:

The financial statements have been prepared under the historical cost basis which is generally based on the fair value of consideration given in exchange for goods and services.

### 2.3 First-Time Adoption of Ind AS

The Company has prepared its first Indian Accounting Standards (Ind AS) compliant financial statements for the periods commencing from April 1, 2019 with restated comparative figures for the year ended March 31, 2019 in compliance with the Ind AS. The Company has prepared these financial statements in accordance with Ind AS notified under Section 133 of the Companies Act, 2013. Accordingly, the Balance Sheet in line with Ind AS transitional provisions has been prepared as at April 1, 2018 i.e. the date of Company's transition to Ind AS.

Ind AS 101 also allows to first time adopter certain exemptions from the retrospective application of certain requirements under Ind AS. Accordingly, the company has availed the following exemptions / mandatory exceptions as per Ind AS 101:

(i) Fair Value as Deemed Cost Exemption: -

The company has elected to measure items of property, plant & equipment and intangible assets at its carrying value at the transition date.

(ii) Investments in subsidiaries, joint ventures and associates: -

The company has elected to measure investment in subsidiaries, joint venture and associate at cost.

(iii) Classification & Fair value measurement of financial assets or financial liabilities at initial recognition: -

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 63 )

The financial assets and financial liabilities have been classified on the basis of facts existing as at the date of transition to Ind AS. In addition, the exemption permits prospective application of requirements of Ind AS 109 to transactions entered into on or after date of transition.

In accordance with Ind AS 101 'First-time adoption of Indian Accounting Standards', the Company has presented below reconciliations of net profit in accordance with 'previous GAAP' for the year ended March 31, 2019 and shareholders' funds as per 'previous GAAP' to equity under Ind AS as at March 31, 2019 and April 1, 2018.

Reconciliations between previous GAAP and Ind AS

(a) Reconciliation of other equity: -

Particulars	Notes	As at March 31,2019 (Rs. in '000')	As at April 1, 2018 (Rs. in '000')
Balance as per previous GAAP		6,008.05	6,937.87
<i>Adjustments:</i>			
Re-measurement of investments carried at FVTOCI (net of tax)	2.3(iii)(c)	484.50	Nil
Current tax adjustments of earlier years on transition		0.74	0.74
Balances as per Ind AS		6,493.29	6,938.61

(b) Reconciliation of total comprehensive income: -

Particulars	Notes	Year ended March 31, 2019 (Rs. in '000')
Net profit/(loss) as per Previous GAAP		(990.08)
<i>Adjustments:</i>		
Net Profit/(loss) as per Ind AS		(990.08)
Re-measurement of investments carried at FVTOCI (net of tax)	2.3(iii)(c)	484.50
Total Comprehensive Income as per Ind AS		(505.58)

(c) Explanatory note to the reconciliation: -

Under the previous GAAP, investments in equity instruments were carried at cost, whereas under Ind AS - 109 investments in instruments are measured at fair value. Equity investments

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 64 )

are not held for trading and thereby are classified at Fair Value through Other Comprehensive Income (FVTOCI).

## 2.4 Use of Estimates:

The preparation of the financial statements requires the management of the company to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of these financial statements, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the reported period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised.

## 2.5 Critical accounting estimates

### (i) Income Taxes

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

### (ii) Impairment of Investments:

The carrying value of investments is reviewed at cost annually, or more frequently whenever, there is indication for impairment. If the recoverable amount is less than the carrying amount, the impairment loss is accounted for.

### (iii) Provisions:

Provisions are recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

## 2.6 Property, Plant and Equipment

Properties, Plant & equipment are stated at actual cost less accumulated depreciation and net of impairment. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction/installation stage.

The Company has chosen the cost model for recognition and this model is applied to all class of assets. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Depreciable amount of an asset is the cost of an asset less its estimated residual value.

Depreciation on Property, Plant and Equipment, including assets taken on lease, other than freehold land is charged based on Written Down Value method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013.



# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 65 )

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment are determined as a difference between the sale proceeds and the carrying amount of the asset and is recognized in the profit and loss.

At the end of each reporting period, the Company reviews the carrying amounts of tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

## 2.7 Revenue recognition:

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company & revenue is reliably measured.

- (i) Interest Income: The Company recognises interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortised cost. EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.
- (ii) Dividend: Dividend income from investments is recognised when the shareholders' right to receive payment has been established which is generally when the shareholders approve the dividend.
- (i) Other revenue from operations: The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

## 2.8 Financial Instruments:

### (i) Financial Assets: -

#### Recognition and initial measurement: -

Financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction cost. Processing fees earned on disbursement of loan assets have been recognized in revenue over the tenure of loan in proportion to the closing principal outstanding at the end of each year.

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 66 )

Subsequent measurement: -

Equity instrument and Mutual Fund: - All equity Instrument and mutual funds within scope of Ind-AS 109 are measured at fair value. Equity instrument and Mutual fund which are held for trading are classified as at fair value through profit & loss (FVTPL). For all other equity instruments, the Company decided to classify them as at fair value through other comprehensive income (FVTOCI).

Debt instrument: - A 'debt instrument' is measured at the amortised cost if both the following conditions are met. The assets are held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

De-recognition of Financial Assets: -

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or Company has transferred its right to receive cash flow from the asset.

(ii) Financial Liabilities: -

Recognition and initial measurement: -

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. Financial liabilities are classified at amortised cost. Processing fees paid on borrowed loans have been amortised over the tenure of loan in proportion to the closing principal outstanding at the end of each year.

Subsequent measurement: -

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest rate method.

De-recognition of Financial liabilities: -

Financial liabilities are derecognized when the obligation under the liabilities are discharged or cancelled or expires. Consequently, write back of unsettled credit balances is done on closure of the concerned project or earlier based on the previous experience of Management and actual facts of each case and recognized in other Operating Revenues.

Further when an existing Financial liability is replaced by another from the same lender on substantially different terms, or the terms of existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

(iii) Offsetting of Financial Instrument: -

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognized amounts and there

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 67 )

is an intention to settle on net basis, to realize the assets and settle the liabilities simultaneously.

#### (iv) Impairment of Financial Assets

Equity instruments, Debt Instruments and Mutual Fund: -In accordance with Ind-AS 109, the Company applies Expected Credit Loss model for measurement and recognition of impairment loss for financial assets. Expected Credit Loss is the 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.

Other Financial Assets: - The Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

#### 2.9 Cash & Cash equivalents

Cash and cash equivalents in the balance sheet comprise of cash at bank and 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. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net of outstanding bank overdrafts if they are considered an integral part of the Company's cash management.

#### 2.10 Taxation

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid/recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with Income Tax Act, 1961.

Current and deferred tax is recognised in profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are recognised in other comprehensive income or directly in equity, respectively.

Advance taxes and provisions for current income taxes are presented in the statement of financial position after off-setting advance tax paid and income tax provision.

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amounts.

Deferred income tax is recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred income tax assets is reviewed at each reporting date. Deferred tax asset/liability is measured at the tax rates that are expected to be applied to the period when the asset is realized or the liability is settled.

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 68 )

Deferred tax assets include Minimum Alternative Tax (MAT) paid which is considered as an asset if there is probable evidence that the Company will pay normal income tax after the tax holiday period.

## 2.11 Employee Benefits

### (v) Short term Employee Benefits:-

Liabilities for short term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

### (vi) Post-Employment Benefits:-

#### Defined Benefit Plans:-

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee Benefits Expense' in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in Other Comprehensive Income. These are included in 'Retained Earnings' in the Statement of Changes in Equity.

## 2.12 Earnings Per Share

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the period and also after the Balance Sheet date but before the date the these financial statements are approved by the Board of Directors.

For the purpose of calculating diluted earnings/ (loss) per share, the net profit/ (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 69 )

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

## **2.13** Provision, Contingent Liabilities and Contingent Assets:

A provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Assets and Contingent Liabilities are not recognized in the financial statements.

Company's policy is to carry adequate amounts towards Provision for Standard Assets, Non-Performing Assets (NPAs) and other contingencies. All loans and other credit exposures where the installments are overdue for one hundred eighty days and more are classified as NPAs in accordance with the prudential norms prescribed by the Reserve Bank of India (RBI). The provisioning policy of Company covers the minimum provisioning required as per the RBI guidelines.

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 70 )

## SHREE WORSTEX LIMITED

CIN: L17111DL1982PLC013790

### NOTES TO THE FINANCIAL STATEMENTS

	As at 31st March 2020 (Rs. in '000')	As at 31st March 2019 (Rs. in '000')	As at 1st April 2018 (Rs. in '000')
<b>3. Cash and cash equivalents</b>			
Cash on hand	99.12	99.12	99.54
Balance with banks in current accounts	148.25	5,368.40	-
	<u>247.37</u>	<u>5,467.52</u>	<u>99.54</u>
<b>4. Receivables</b>			
Trade receivables (considered good - unsecured)	-	5,800.00	8,775.86
	<u>-</u>	<u>5,800.00</u>	<u>8,775.86</u>
<b>5. Loans</b>			
<u>In India (at amortised cost)</u>			
Loans repayable on demand (unsecured)			
Loans to body corporates	10,500.00	300.00	24,004.00
Loans to others	25,950.00	13,400.00	12,200.00
	<u>36,450.00</u>	<u>13,700.00</u>	<u>36,204.00</u>
<b>6. Investments</b>			
<u>In India (at FVTOCI)</u>			
In Equity Instruments	6,449.21	1,804.52	218.60
	<u>6,449.21</u>	<u>1,804.52</u>	<u>218.60</u>
<b>7. Other financial assets</b>			
Interest receivable	3,411.22	2,773.57	2,373.98
Advance for purchase of investments	2,000.00	2,000.00	2,000.00
	<u>5,411.22</u>	<u>4,773.57</u>	<u>4,373.98</u>
<b>8. Inventories</b>			
<u>Stock in trade</u>			
- Equity Instruments (at fair value)	1,384.00	13,674.00	17,105.00
	<u>1,384.00</u>	<u>13,674.00</u>	<u>17,105.00</u>
<b>9. Other non- financial assets</b>			
Input credit of GST	31.91	-	52.44
Prepaid expenses	-	-	3.30
	<u>31.91</u>	<u>-</u>	<u>55.74</u>
<b>10. Payables</b>			
Trade Payables			
- Total outstanding dues of creditors other than micro enterprises and small enterprises (Note 10.1)	293.56	301.27	-
	<u>293.56</u>	<u>301.27</u>	<u>-</u>

10.1 There are no dues to Micro and Small Enterprises as defined under Micro, Small & Medium Enterprises Development Act, 2006 which are outstanding for a period more than 45 days as on the balance sheet date.

The above information regarding Micro and Small Enterprises has been determined on the basis of information available with the Company and has been duly relied upon by the auditors of the Company.

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 71 )

## SHREE WORSTEX LIMITED

CIN: L17111DL1982PLC013790

### NOTES TO THE FINANCIAL STATEMENTS

11. Borrowings (other than debt securities)	As at 31st March 2020 (Rs. in '000')	As at 31st March 2019 (Rs. in '000')	As at 1st April 2018 (Rs. in '000')	
<u>In India (unsecured)</u>				
Loans from related parties	6,000.00	6,378.00	11,795.60	
	<u>6,000.00</u>	<u>6,378.00</u>	<u>11,795.60</u>	
12. Other financial liabilities	As at 31st March 2020 (Rs. in '000')	As at 31st March 2019 (Rs. in '000')	As at 1st April 2018 (Rs. in '000')	
Interest payable	1,195.11	817.11	817.11	
Other expenses payable	99.85	86.69	137.05	
Cheques overdrawn	-	-	974.22	
Unsettled premium on derivatives	-	-	13,859.90	
	<u>1,294.96</u>	<u>903.80</u>	<u>15,788.28</u>	
13. Provisions	As at 31st March 2020 (Rs. in '000')	As at 31st March 2019 (Rs. in '000')	As at 1st April 2018 (Rs. in '000')	
<u>Contingent provisions against standard assets (Note 13.1)</u>				
Opening Balance	41.19	101.45	48.86	
Addition/ (written off) during the year	49.94	(60.26)	52.58	
Closing Balance	<u>91.13</u>	<u>41.19</u>	<u>101.44</u>	
13.1 A contingent provision of 0.25% (31st March, 2019: 0.25%) (1st April 2018: 0.25%) against standard assets has been created on their respective outstanding amount considering RBI circular Ref. No. DNBR (PD) CC.No. 002/03.10.001/2014-15 dated November 10, 2014.				
14. Deferred tax liabilities/ (asset) (net)	As at 31st March 2020 (Rs. in '000')	As at 31st March 2019 (Rs. in '000')	As at 1st April 2018 (Rs. in '000')	
At the start of the year	162.08	(8.15)	(8.15)	
Debit/ (credit) to Other Comprehensive Income	1,062.71	170.23	-	
At the end of year	<u>1,224.79</u>	<u>162.08</u>	<u>(8.15)</u>	
14.1 The tax effect of significant timing differences that has resulted in deferred tax liabilities are given below:-				
	For the year ended 31st March 2020 (Rs. in '000')			
Particulars	Opening balance	Recognized in Profit and loss	Recognized in OCI	Closing balance
Carry forward of losses	(8.15)	-	-	(8.15)
Equity instruments through OCI	170.23	-	1,062.71	1,232.94
Total	162.08	-	1,062.71	1,224.79
	For the year ended 31st March 2019 (Rs. in '000')			
Particulars	Opening balance	Recognized in Profit and loss	Recognized in OCI	Closing balance
Carry forward of losses	(8.15)	-	-	(8.15)
Equity instruments through OCI	-	-	170.23	170.23
Total	(8.15)	-	170.23	162.08
15. Other non financial liabilities	As at 31st March 2020 (Rs. in '000')	As at 31st March 2019 (Rs. in '000')	As at 1st April 2018 (Rs. in '000')	
TDS payable	5.15	45.50	172.20	
GST payable	-	419.18	-	
	<u>5.15</u>	<u>464.68</u>	<u>172.20</u>	
16. Equity share capital	As at 31st March 2020 Nos. (Rs. in '000')	As at 31st March 2019 Nos. (Rs. in '000')	As at 1st April 2018 Nos. (Rs. in '000')	
Authorized shares				
Equity shares of Rs. 10 each with voting rights	3,500,000 35,000.00	3,500,000 35,000.00	3,500,000 35,000.00	
Issued, subscribed and fully paid- up shares	3,140,000 31,400.00	3,140,000 31,400.00	3,140,000 31,400.00	

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 72 )

## 16.1 Reconciliation of number of equity shares and amount outstanding

	As at 31st March 2020		As at 31st March 2019		As at 1st April 2018	
	Nos.	(Rs. in '000')	Nos.	(Rs. in '000')	Nos.	(Rs. in '000')
<u>Equity Shares</u>						
- At the beginning of the period	3,140,000	31,400.00	3,140,000	31,400.00	3,140,000	31,400.00
- Issued during the year	-	-	-	-	-	-
<b>Total Outstanding at the end of the period</b>	<b>3,140,000</b>	<b>31,400</b>	<b>3,140,000</b>	<b>31,400.00</b>	<b>3,140,000</b>	<b>31,400.00</b>

## 16.2 Terms and rights attached to equity shares

(i) The company has issued only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to vote per share. The company declares and pays dividend if any, in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

(ii) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all the preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholder.

## 16.3 Details of shareholders holding more than 5% shares in the Company: -

	As at 31st March 2020		As at 31st March 2019		As at 1st April 2018	
	Nos.	% holding	Nos.	% holding	Nos.	% holding
Kiran Mittal	1,000,000	31.85%	1,000,000	31.85%	1,000,000	31.85%
Pawan Kumar Mittal	1,211,900	38.60%	1,211,900	38.60%	1,211,900	38.60%

As per records, registers and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

## 17. Other Equity

	As at 31st March 2020 (Rs. in '000')	As at 31st March 2019 (Rs. in '000')
<u>Special Reserve</u>		
Special Reserve u/s 45- IC of RBI Act, 1934		
Balance as per last financial statements	1,436.93	1,436.93
Add: Transfer from surplus in statement of profit & loss	-	-
Balance at the end of the financial year	1,436.93	1,436.93
<u>Retained earnings</u>		
Opening balance	4,571.85	5,501.68
Add: Profit/(loss) for the year	(44.78)	(990.09)
Less: Contingent provision against standard assets	(49.94)	60.26
Balance at the end of the financial year	4,477.13	4,571.85
<u>Equity instruments through other comprehensive income</u>		
Opening balance	484.51	-
Add: Re-measurement of Equity instruments through Other Comprehensive Income	3,581.98	484.51
Balance at the end of the financial year	4,066.49	484.51
	<b>9,980.55</b>	<b>6,493.29</b>

## 18. Revenue from operations

	For the year ended on 31st March 2020 (Rs. in '000')	For the year ended on 31st March 2019 (Rs. in '000')
Interest earned	2,254.94	1,939.96
Sale of shares & securities	10,535.17	3,357.03
	<b>12,790.11</b>	<b>5,296.99</b>



# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 73 )

	For the year ended on 31st March 2020 (Rs. in '000')	For the year ended on 31st March 2019 (Rs. in '000')
<b>19. Other Income</b>		
Consultancy fees	1,000.00	6,900.00
Dividend received	120.00	140.00
Profit on derivatives	-	887.75
Profit on mutual fund	-	59.51
Interest on income tax refund	35.08	-
	<b>1,155.08</b>	<b>7,987.26</b>
<b>20. Finance cost</b>		
Interest on borrowings	-	428.01
	<b>-</b>	<b>428.01</b>
<b>21. Purchases of stock-in-trade</b>		
Purchase of shares & securities	-	6,212.05
	<b>-</b>	<b>6,212.05</b>
<b>22. Changes in inventories of stock-in-trade</b>		
Opening stock in trade	13,674.00	17,105.00
Less: Closing stock in trade	(1,384.00)	(13,674.00)
	<b>12,290.00</b>	<b>3,431.00</b>
<b>23. Employee benefits expenses</b>		
Salaries and allowances	823.21	657.76
	<b>823.21</b>	<b>657.76</b>
<b>24. Other expenses</b>		
Advertising expenses	62.40	73.34
Annual listing fee	-	55.00
Bad debts written off	78.90	-
Bank charges	1.18	-
Filing fees	7.20	6.00
Late payment fees and penalty	96.32	0.40
Listing fees	355.00	2,779.00
Membership fee	53.00	15.00
Miscellaneous expenses	11.68	16.95
Net loss on derivatives	-	309.42
Payment to statutory auditor (Note 26)	51.50	44.50
Printing & stationery	2.00	1.80
Processing charges	-	24.00
Professional charges	64.78	140.04
Share pledge charges	-	11.57
Sitting fees	90.00	48.00
Travelling expenses	-	17.70
Website expenses	2.80	2.80
	<b>876.76</b>	<b>3,545.52</b>

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 74 )

25. Related parties: -

As per IND AS 24, the disclosures of transactions with the related parties are given below: -

(a) List of related parties where control exists and also related parties with whom transactions have taken place and relationship: -

(i)	Key Management Personnel	Pawan Kumar Mittal (Director) Kiran Mittal (Director) Leeladhar Jha (Company Secretary) Nidhi Marwah (CFO & CEO) Pooja Mittal (Past Company Secretary)
(ii)	Relatives of Key Management Personnel	None
(iii)	Enterprises owned or significantly influenced by the Key Management Personnel or their Relatives	Dolf Leasing Limited PRM Hospitality Pvt. Ltd. Gulmohar Investments and Holdings Limited Rita Finance and Leasing Limited Smart Capital Services Limited Dhanvridhi Sales Pvt. Ltd. Trimline Agencies Pvt. Ltd.

(b) Following transactions are made with the related parties covered under Ind AS- 24 on "Related Parties Disclosure": -

	Transaction with	Nature of Transaction	Transactions during the year		Balances as at	
			31/03/2020 (Rs. in '000')	31/03/2019 (Rs. in '000')	31/03/2020 (Rs. in '000')	31/03/2019 (Rs. in '000')
(i)	<u>Key Managerial Personnel: -</u>					
	Mr. Pawan Kumar Mittal	Loan taken	200.00	600.00	Nil	Nil
		Loan repaid	200.00	600.00	Nil	Nil
Ms. Kiran Mittal	Loan taken	Nil	1,000.00	Nil	Nil	

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 75 )

		Loan repaid	Nil	1,000.00	Nil	Nil
	Ms. Nidhi Marwaha	Remuneration	720.00	Nil	58.00	Nil
	Ms. Pooja Mittal	Remuneration	84.17	322.37	Nil	29.36
	Mr. Leeladhar Jha	Remuneration	19.04	10.65	12.00	Nil
(i)	<u>Relatives of Key Management Personnel:</u> None					
(i ii)	<u>Enterprises owned or significantly influenced by Key Management Personnel or their Relatives: -</u>					
	PRM Hospitality Pvt. Ltd.	Loan given	Nil	12,500.00	Nil	3,100.00
		Loan recovered	3,100.00	9,400.00	Nil	Nil
	Dolf Leasing Limited	Loan taken	Nil	17,795.60	Nil	Nil
		Loan repaid	Nil	23,350.13	Nil	Nil
		Loan given	12,500.00	28,104.40	6,500.00	Nil
		Loan recovered	6,000.00	28,104.40	Nil	Nil
		Interest receivable	202.44	241.07	182.19	Nil
	Gulmohar Investments and Holdings Limited	Loan given	Nil	13,400.00	Nil	Nil
		Loan recovered	Nil	13,400.00	Nil	Nil
		Interest received	Nil	191.36	Nil	Nil
	Rita Finance and Leasing Limited	Loan given	Nil	1,500.00	Nil	300.00
		Loan recovered	300.00	1,200.00	Nil	Nil
		Interest receivable	4.51	1.11	Nil	1.11
	Skybox	Loan	Nil	500.00	Nil	Nil

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 76 )

Industries Limited (formerly known as Smart Capital Services Limited)	taken				
	Loan repaid	Nil	500.00	Nil	Nil
	Interest paid	Nil	8.01	Nil	Nil
	Loan given	22,350.00	Nil	Nil	Nil
	Loan recovered	22,350.00	Nil	Nil	Nil
	Interest received	575.11	Nil	Nil	Nil
Dhanvridhi Sales Pvt. Ltd.	Loan taken	Nil	Nil	1,000.00	1,000.00
	Interest Payable	Nil	70.00	Nil	63.00
Trimline Agencies Pvt. Ltd.	Loan taken	Nil	Nil	5,000.00	5,000.00
	Interest Payable	Nil	350.00	Nil	315.00

26. Breakup of payments made to auditors (excluding taxes) is disclosed as under: -

Particulars	31/03/2020 (Rs. in '000')	31/03/2019 (Rs. in '000')
In respect of statutory audit (including tax audit)	35.00	35.00
In respect of certification and other charges	16.50	9.50
Total	51.50	44.50

27.	Particulars	31/03/2020 (Rs. in '000')	31/03/2019 (Rs. in '000')
	Foreign currency earnings, expenditures and outgo	Nil	Nil
28.	Particulars	31/03/2020 (Rs. in '000')	31/03/2019 (Rs. in '000')
	Contingent liabilities not provided for	Nil	Nil
	Pending litigations by/against the Company	None	None

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 77 )

29. The outbreak of COVID-19 pandemic is causing significant disturbance and slowdown of economic activities globally. The nationwide lockdown ordered by the Government of India has resulted in significant reduction in economic activities and also the business operations of the Company in terms of sales and production. The management has considered the possible effects that may result from the pandemic on the recoverability / carrying value of the assets. Based on the current indicators of future economic conditions, the management expects to recover the carrying amount of the assets, however the management will continue to closely monitor any material changes to future economic conditions. Given the uncertainties, the final impact on Company's assets in future may differ from that estimated as at the date of approval of these financial results.
30. The financial statements were approved for issue by the Board of Directors on 30<sup>th</sup> day of June, 2020.
31. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
32. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
33. Previous year's figures have been re- arranged or re- grouped wherever considered necessary.
34. Figures have been rounded off to the nearest thousands of rupees.
35. Figures in brackets indicate negative (-) figures.

Signed for the purpose of Identification

FOR V. N. PUROHIT & CO.  
Chartered Accountants  
Firm Regn. 304040E

For and on behalf of Board of Directors of  
Shree Worstex Limited

O. P. Pareek  
Partner  
Membership No. 014238  
UDIN:- 20014238AAAACR3134

Pawan Kumar Mittal  
Director  
DIN: 00749265

Kiran Mittal  
Director  
DIN: 00749457

New Delhi, the 30<sup>th</sup> day of June,  
2020

Nidhi Marwaha  
CFO & CEO  
PAN: AMFPM6902N

Leeladhar Jha  
Company Secretary  
PAN: AMFPJ4361C

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 78 )

Annexure-E

## FORM AOC - 2

(PURSUANT TO CLAUSE (H) OF SUB-SECTION (3) OF SECTION 134 OF THE ACT AND  
RULE 8(2) OF THE COMPANIES (ACCOUNTS) RULES, 2014)

DISCLOSURE OF PARTICULARS OF CONTRACTS/ARRANGEMENTS ENTERED INTO BY THE COMPANY WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013 INCLUDING CERTAIN ARM'S LENGTH TRANSACTIONS UNDER THIRD PROVISIO THERETO

1. Details of contracts or arrangements or transactions not at arm's length basis
  - (a) Name(s) of the related party and nature of relationship: NIL
  - (b) Nature of contracts/arrangements/transactions: NIL
  - (c) Duration of the contracts / arrangements/transactions: NIL
  - (d) Salient terms of the contracts or arrangements or transactions including the value: NIL
  - (e) Justification for entering into such contracts or arrangements or transactions: NIL
  - (f) Date of approval by the Board: NIL
  - (g) Amount paid as advances: NIL
  - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: NIL
2. Details of material contracts or arrangement or transactions at arm's length basis

(in ₹)

	Transaction with	Nature of Transaction	Transactions during the year		Balances as at	
			31/03/2020 (Rs. in '000')	31/03/2019 (Rs. in '000')	31/03/2020 (Rs. in '000')	31/03/2019 (Rs. in '000')
(i)	<u>Key Managerial Personnel: -</u>					
)	Mr. Pawan Kumar Mittal	Loan taken	200.00	600.00	Nil	Nil
		Loan repaid	200.00	600.00	Nil	Nil
	Ms. Kiran Mittal	Loan taken	Nil	1,000.00	Nil	Nil
		Loan repaid	Nil	1,000.00	Nil	Nil
	Ms. Nidhi Marwaha	Remuneration	720.00	Nil	58.00	Nil
	Ms. Pooja	Remuneration	84.17	322.37	Nil	29.36

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 79 )

	Mittal	tion				
	Mr. Leeladhar Jha	Remuneration	19.04	10.65	12.00	Nil
(i)	<u>Relatives of Key Management Personnel:</u> None					
(i)	<u>Enterprises owned or significantly influenced by Key Management Personnel or</u>					
ii)	<u>their Relatives:</u> -					
	PRM Hospitality Pvt. Ltd.	Loan given	Nil	12,500.00	Nil	3,100.00
		Loan recovered	3,100.00	9,400.00	Nil	Nil
	Dolf Leasing Limited	Loan taken	Nil	17,795.60	Nil	Nil
		Loan repaid	Nil	23,350.13	Nil	Nil
		Loan given	12,500.00	28,104.40	6,500.00	Nil
		Loan recovered	6,000.00	28,104.40	Nil	Nil
		Interest receivable	202.44	241.07	182.19	Nil
	Gulmohar Investments and Holdings Limited	Loan given	Nil	13,400.00	Nil	Nil
		Loan recovered	Nil	13,400.00	Nil	Nil
		Interest received	Nil	191.36	Nil	Nil
	Rita Finance and Leasing Limited	Loan given	Nil	1,500.00	Nil	300.00
		Loan recovered	300.00	1,200.00	Nil	Nil
		Interest receivable	4.51	1.11	Nil	1.11
	Skybox Industries Limited (formerly known as Smart	Loan taken	Nil	500.00	Nil	Nil
		Loan repaid	Nil	500.00	Nil	Nil
		Interest paid	Nil	8.01	Nil	Nil

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 80 )

Capital Services Limited)	Loan given	22,350.00	Nil	Nil	Nil
	Loan recovered	22,350.00	Nil	Nil	Nil
	Interest received	575.11	Nil	Nil	Nil
Dhanvridhi Sales Pvt. Ltd.	Loan taken	Nil	Nil	1,000.00	1,000.00
	Interest Payable	Nil	70.00	Nil	63.00
Trimline Agencies Pvt. Ltd.	Loan taken	Nil	Nil	5,000.00	5,000.00
	Interest Payable	Nil	350.00	Nil	315.00

For and on behalf of Board of Directors of  
Shree Worstex Limited

**Pawan Kumar Mittal**  
Director  
DIN: 00749265

**Kiran Mittal**  
Director  
DIN: 00749457

New Delhi, the 30<sup>th</sup> day of June 2020



# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 81 )

Annexure-F

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2020

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

## I REGISTRATION & OTHER DETAILS

I	CIN	L17111DL1982PLC013790
II	Registration Date	02/06/1982
III	Name of the Company	Shree Worstex Limited
IV	Category/Sub-category of the Company	Company Limited by shares
V	Address of the Registered office and contact details	325, III <sup>rd</sup> Floor, Aggarwal Plaza, Sector-14, Rohini, New Delhi-110085 Contact No: 9315202833, 011-45689444
VI	Whether listed Company	Listed
VII	Name, Address and Contact details of Registrar and Transfer Agent, if any:-	Skyline Financial Services Private Limited Address: D-153A, 1 <sup>st</sup> Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Ph.: 011-64732681

## 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:-

S. No	Name and Description of main products/services	NIC Code of the Product /service	% to total turnover of the Company
1.	Interest Earned	99711400	75.58%
2.	Consultancy Income	99715910	24.42%

## III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

S No	NAME & ADDRESS OF THE COMPANY	CIN / GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
NOT APPLICABLE					

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 82 )

## IV SHAREHOLDING PATTERN (Equity Share capital Break up as percentage of Total Equity)

### i) Category-wise Share Holding

Category of Share Holder	No. of Shares held at the beginning of the year [As on 31-March-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	22,11,900	-	22,11,900	70.44%	22,11,900	-	22,11,900	70.44%	0.00%
b) Central Govt	-	-	-	-					-
c) State Govt(s)	-	-	-	-					-
d) Bodies Corp.	44,400	-	44,400	1.41%	44,400	-	44,400	1.42%	-
e) Banks / FI	-	-	-	-					-
f) Any other	-	-	-	-					-
<b>Sub Total (A) (1)</b>	<b>22,56,300</b>	<b>-</b>	<b>22,56,300</b>	<b>71.86%</b>	<b>22,56,300</b>	<b>-</b>	<b>22,56,300</b>	<b>71.86%</b>	<b>(1.03%)</b>
<b>(2) Foreign</b>									
a) NRI Individuals	-	-	-	-					-
b) Other Individuals	-	-	-	-					-
c) Bodies Corp.	-	-	-	-					-
d) 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 (A)</b>	<b>22,11,900</b>	<b>-</b>	<b>22,88,400</b>	<b>71.86%</b>	<b>22,56,300</b>	<b>-</b>	<b>22,56,300</b>	<b>71.86%</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-					-

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 83 )

b) Banks / FI	-	-	-	-					-
c) Central Govt	-	-	-	-					-
d) State Govt(s)	-	-	-	-					-
e) Venture Capital Funds	-	-	-	-					-
f) Insurance Companies	-	-	-	-					-
g) FIIs	-	-	-	-					-
h) Foreign Venture Capital Funds	-	-	-	-					-
i) Others (specify)	-	-	-	-					-
<b>Sub-total (B)(1):-</b>	-	-	-	-					-
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	100,000	-	100,000	3.18 %	100,000	0	100,000	3.18%	-
ii) Overseas	-	-	-	-					-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	54,450		54,450	1.73 %	54,450	-	54,450	1.73%	-
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	6,54,200	-	6,54,200	20.83 %	6,54,200	-	6,54,200	20.83 %	-
c) Others (HUF)	75,000	50	75,050	2.39 %	75,000	50	75,050	2.39%	-
Non Resident Indians	-	-	-	-					-
Overseas Corporate Bodies	-	-	-	-					-
Foreign	-	-	-	-					-

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 84 )

Nationals									
Clearing Members	-	-	-	-					-
Trusts	-	-	-	-					-
Foreign Bodies - DR	-	-	-	-					-
Sub-total (B)(2):-	7,75,000	1,08,700	8,83,700	28.14%	7,75,000	1,08,700	8,83,700	28.14%	-
Total Public (B)	7,75,000	1,08,700	8,83,700	24.68%	7,75,000	1,08,700	8,83,700	24.68%	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	30,31,300	1,08,700	3,140,000	100.00%	30,31,300	1,08,700	3,140,000	100.00%	0.00%

## ii) Shareholding of Promoters

S.No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledge d/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Rita Finance and Leasing Limited (Formerly Known as Rita Holdings Limited)	44,400	1.41%	0	44,400	1.41%	0	0.00%
2	Pawan Kumar Mittal	12,11,900	38.60%	0	12,11,900	38.60%	0	0.00%
3	Kiran Mittal	10,00,000	31.85%	0	10,00,000	31.85%	0	0.00%

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 85 )

### iii) Change in Promoters' Shareholding (please specify if there is no change)

S N o.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Rita Finance and Leasing Limited (Rita Holdings Limited)	44,400	1.41%	0	44,400	1.41%	0	0.00%
2	Pawan Kumar Mittal	12,11,900	38.60%	0	12,11,900	38.60%	0	0.00%
3	Kiran Mittal	10,00,000	31.85%	0	10,00,000	31.85%	0	0.00%

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

S N o.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1	<b>Sanjay Aggarwal</b>				
	At the beginning of the year	1,00,000	3.18%	1,00,000	3.18%
	Shares acquired/sold	0	0	0	0
	At the end of the year	1,00,000	3.18%	1,00,000	3.18%
2	<b>Rekha Garg</b>				
	At the beginning of the year	1,00,000	3.18%	1,00,000	3.18%
	Shares acquired/sold	0	0	0	0
	At the end of the year	1,00,000	3.18%	1,00,000	3.18%
3	<b>Lalita Mittal</b>				
	At the beginning of the year	1,00,000	3.18%	1,00,000	3.18%
	Shares acquired/sold	0	0	0	0
	At the end of the year	1,00,000	3.18%	1,00,000	3.18%
4	<b>Girdhari Lal Mangal (HUF)</b>				

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 86 )

	At the beginning of the year	75,000	2.38%	75,000	2.38%
	Shares acquired/sold	0	0	0	0
	At the end of the year	75,000	2.38%	75,000	2.38%
<b>5</b>	<b>Pradeep Kumar Goyal</b>				
	At the beginning of the year	50,000	1.59%	50,000	1.59%
	Shares acquired/sold	0	0	0	0
	At the end of the year	50,000	1.59%	50,000	1.59%
<b>6</b>	<b>Vinita Gupta</b>				
	At the beginning of the year	50,000	1.59%	50,000	1.59%
	Shares acquired/sold	0	0	0	0
	At the end of the year	50,000	1.59%	50,000	1.59%
<b>7</b>	<b>Shivani Agarwal</b>				
	At the beginning of the year	50,000	1.59%	50,000	1.59%
	Shares acquired/sold	0	0	0	0
	At the end of the year	50,000	1.59%	50,000	1.59%
<b>8</b>	<b>Ashish Goyal</b>				
	At the beginning of the year	50,000	1.59%	50,000	1.59%
	Shares acquired/sold	0	0	0	0
	At the end of the year	50,000	1.59%	50,000	1.59%
<b>9</b>	<b>Mohd. Aslam Baqui</b>				
	At the beginning of the year	50,000	1.59%	50,000	1.59%
	Shares acquired/sold	0	0	0	0
	At the end of the year	50,000	1.59%	50,000	1.59%
<b>10</b>	<b>Nikhata Aslam</b>				
	At the beginning of the year	50,000	1.59%	50,000	1.59%
	Shares acquired/sold	0	0	0	0
	At the end of the year	50,000	1.59%	50,000	1.59%

## v) Shareholding of Directors and Key Managerial Personnel

S No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares	No. of shares	% of total shares
1.	Mr. Pawan Kumar Mittal	12,11,900	38.60%	12,11,900	38.60%
2.	Mrs. Kiran Mittal	10,00,000	31.85%	10,00,000	31.85%

## V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment  
(in ₹'000')

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 87 )

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	6,378	-	6,378
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	6,378	-	6,378
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	-	378	-	378
Net Change	-	378	-	378
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	6,000	-	6,000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	6,000	-	6,000

## VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### a. Remuneration to Managing Director, Whole time Director and/or Manager:

(in ₹)

S. No.	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax 1961 (Rs.)	-	-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 (Rs.)	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961(Rs.)	-	-
2	Stock option(Rs.)	-	-
	Sweat Equity	-	-
	Commission	-	-
	as % of profit	-	-
	others (specify)	-	-
	Others, please specify	-	-
	Total (A)	-	-
	Ceiling as per the Act	-	-

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 88 )

**b. Remuneration to Other Directors:**

(in ₹)

S. No	Particulars of Remuneration	Name of the Directors			Total
1	<b>Independent Directors</b>	Jitender Kumar Agarwal	Avinash Sharma	Pankaj Kapoor	
	(a) Fee for attending board committee meetings				
	(b) Commission	0	0	0	0
	(c) Others, please specify	42000	24000	24000	90000
	<b>Total (1)</b>				
2	<b>Other Non Executive Directors</b>				
	(a) Fee for attending board committee meetings	0	0	0	0
	(b) Commission	0	0	0	0
	(c) Others, please specify.	0	0	0	0
	<b>Total (2)</b>	0	0	0	0
	<b>Total (B)=(1+2)</b>				
	Total Managerial Remuneration				
	Overall Ceiling as per the Act.				

**c. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:**

(in `)

S N	Particulars of Remuneration	Key Managerial Personnel			Total
	<b>Gross Salary</b>	<b>CEO &amp; CFO (Mrs. Nidhi Marwaha)</b>	<b>Company Secretary (Ms. Pooja Mittal)</b>	<b>Company Secretary (Mr. Leela dhar Jha)</b>	
1	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	7,20,000	84,170	19,040	823210.
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission as % of profit others, specify	-	-	-	-



# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 89 )

5	Others, please specify	-	-	-	-
	<b>Total</b>	<b>7,20,000</b>	<b>84,170</b>	<b>19,040</b>	<b>823210.</b>

## 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>A. COMPANY</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
<b>B. DIRECTORS</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

By the order of the Board of directors of  
For Shree Worstex Limited

Date: 31/08/2019  
Place: New Delhi

Sd/-  
Pawan Kumar Mittal  
Director  
DIN: 00749265

Sd/-  
Kiran Mittal  
Director  
DIN: 00749457

# SHREE WORSTEX LIMITED

ANNUAL REPORT FINANCIAL YEAR 2019-20

( Page No. 90 )

Please return, if undelivered:

**SHREE WORSTEX LIMITED**  
325, III<sup>rd</sup> Floor, Aggarwal Plaza,  
Sector- 14, Rohini, New Delhi-  
110085