

ANNUAL REPORT

SHASHWAT FURNISHING SOLUTIONS LIMITED

2023

03rd ANNUAL REPORT

121, Mahaveer Nagar, Jain Colony,
Jodhpur - 342001, Rajasthan, India.

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Website: www.handicraftsvillage.com

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CORPORATE INFORMATION

Board of Directors

Mr. Hitesh Karnawat
Mr. Lalit Ghewarchand Karnawat
Mrs. Mayuri Karnawat
Mr. Adesh Bhansali
Mr. Praveen Kumar Bokariya
Mr. Neelabh Gotecha

Chairman cum Managing Director
Whole-Time Director
Whole-Time Director
Non-Executive Independent Director
Non-Executive Independent Director
Non-Executive Independent Director

Contact Person for Investors

Mrs. Ratika Khandelwal
Company Secretary and Compliance Officer

Plot No.120, 121, 122 Khasra No.277/1,
Salawas Industrial Area, Jodhpur, Rajasthan- 342013, India
Tel No.: + 91-9001269000
E-mail: cs@handicraftsvillage.com
Website: www.handicraftsvillage.com

KFin Technologies Limited

Selenium Building, Tower-B, Plot No 31 & 32,
Financial District, Nanakramguda, Serilingampally,
Hyderabad, Rangareddi, Telangana-500032 India.
Website: www.kfintech.com
Email: inward.ris@kfintech.com
Contact No. – 91-40-6716-2222
SEBI Regn. No. INR000000221

Chief Financial Officer

Mrs. Mayuri Karnawat

Company Secretary & Compliance Officer

Mrs. Ratika Khandelwal

Registered Office

Plot No.120, 121, 122 Khasra No.277/1,
Salawas Industrial Area, Jodhpur, Rajasthan- 342013.
Tel No.: +91-9001269000,
E-mail: info@handicraftsvillage.com
Website: www.handicraftsvillage.com
CIN: U20299RJ2021PLC073899.

Depositories

National Securities Depository Limited
Central Depository Services (India) Limited

Statutory Auditor

M/S. A Y & Company,
Chartered Accountants
505, Fifth Floor, ARG Corporate Park,
Gopalbari, Ajmer Road,
Jaipur – 302006, Rajasthan, India
Tel No.: +91-9649687300
E-mail: info@aycompany.co.in
Contact Person: CA Arpit Gupta

Secretarial Auditor

M/s MSV & Associates,
Practicing Company Secretaries
D-54, Chomu House, C-Scheme,
Jaipur-302001, Rajasthan
Tel No.: +91-9001637075
E-mail: csviveksharma9@gmail.com

Shares Listed at

BSE Limited
P.J. Tower, Dalal Street, Fort,
Mumbai – 400001, Maharashtra, India

Bankers

HDFC Bank Limited

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BOARD OF DIRECTORS

Mr. Hitesh Karnawat, Chairman & Managing Director (DIN: 09097273)

Mr. Hitesh Karnawat, 34 years is Chairman and Managing Director and also the Promoter of our Company. He holds honours degree in Bachelor of Commerce. He is looking after core management of the company and entrepreneur, active and enthusiastic in business activities. He has been instrumental in taking major policy decision of the Company. He has experience of 09 years in our Industry. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. His leadership abilities have been instrumental in leading the core team of our Company. His dynamism helps us cope with the work pressures efficiently and effectively and in execution of all operations specifically related to production and business activities of our Company.

Mr. Lalit Ghewarchand Karnawat, Whole-Time Director (DIN: 09097274)

Mr. Lalit Ghewarchand Karnawat, aged 64 years, is the Whole-Time Director of our Company. He holds matriculation degree. He is having experience of 04 years in our industry. He is involved in the business right from conceptualization stage for Planning and guiding the Business Activities.

Mrs. Mayuri Karnawat, Whole-Time Director (DIN: 09276591)

Mrs. Mayuri Karnawat, aged 37 years, is the Whole-Time Director of our Company and also the Promoter of our Company. She is having experience of 05 years in our industry.

Mr. Adesh Bhansali, Non-Executive & Independent Director (DIN: 09298681)

Mr. Adesh Bhansali, aged 55 years is Non-Executive Independent Director of our Company. He holds degree in Bachelor of Science having experience of 09 years.

Mr. Praveen Kumar Bokariya, Non-Executive & Independent Director (DIN: 08028204)

Mr. Praveen Kumar Bokariya, aged 39 Years is Non-Executive Independent Director of our Company. He is qualified Chartered Accountant having experience of 12 years.

Mr. Neelabh Gotecha, Non-Executive Independent Director (DIN: 09298749)

Mr. Neelabh Gotecha, aged 37 years is Non-Executive Independent Director of our Company. He holds degree in Bachelor of Engineering having experience of 08 years.

LETTER TO THE SHAREHOLDERS



Hitesh Karnawat, Managing Director

Dear Member(s),

With great pleasure, I welcome you to the 03rd Annual General Meeting of our Company. We have come along two years of moving ahead in emerging opportunities in global and domestic markets. Incorporated in 2021, the Company has completed 2 years from the year of Incorporation.

To proceed, the Board believes that the Company will need to follow a very sharp business strategy so that it will possible for the Company to compete with the crisis and overcome the situations. The endeavour of the Company's management is always striving towards the optimal results and strengthening the relationship with the society. With your support, I am confident of leveraging opportunities and overcoming challenges to report exciting success in the coming times.

At the close, I would like to thank the entire team at Shashwat Furnishing Solutions Limited for an outstanding year which is reflective of their efforts, dedication and commitment to success.

Major milestone; Listing on Bombay Stock Exchange: The Company launched IPO in 2022 and is now listed on the Bombay Stock Exchange (BSE), it is one of India's Largest Stock Exchange platforms with a nationwide presence. The response on the IPO was very overwhelming. We are very thankful for the support and guidance provided by the Merchant Banker (Beeline Broking Limited) and BSE representatives. This Successful IPO is one of the Biggest achievements in the life time of the Company. Its oversubscription is the testimony of the Shashwat past performance and trust of the Stakeholders.

I would like to place on record my sincere appreciation to the Board of Directors for their guidance. I would like to express my gratitude to all our stakeholders for their continuing faith in the Company and I look forward for their support, trust and confidence.

Please do take care of yourself and your family and stay safe.

Wish best wishes
Sincerely

Hitesh Karnawat
Managing Director

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NOTICE

Notice is hereby given that the 03rd Annual General Meeting of the members of Shashwat Furnishing Solutions Limited will be held on Thursday, September 28, 2023 at 11.00 AM at Plot No.120, 121, 122 Khasra No.277/1 Salawas Industrial Area, Jodhpur, Rajasthan- 342013 India to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt financial statements

a) To consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023, together with the Reports of the Board of Directors and the Auditors thereon; and

2. To re-appoint Mrs. Mayuri Karnawat (DIN- 09276591) as a Whole-Time Director who retires by rotation and, being eligible, offers herself for re-appointment.

“**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mrs. Mayuri Karnawat (DIN- 09276591) who retires by rotation at this meeting and being eligible has offered herself for re-appointment, be and is hereby re-appointed as a Whole-Time Director of the Company, liable to retire by rotation.”

**By order of the Board of Directors
For Shashwat Furnishing Solutions Limited**

Sd/-

**Ratika Khandelwal
Company Secretary**

Place – Jodhpur, Rajasthan

Date – September 04, 2023

NOTES:

1. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM and is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting power. A member holding more than 10% of the total share capital of the company may appoint single person as proxy and such person shall not act as a proxy for any other shareholder. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting.

Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

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Members and Proxies attending the Meeting should bring the attendance slip duly filled in for attending the Meeting. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification for attendance at the Meeting.

2. Members are informed that in case of joint holders attending the meeting, only such Joint holder who is higher in the order of the names will be entitled to vote.
3. The Annual Report including Notice of the 3rd AGM of the Company inter alia indicating the process and manner of e-voting is being sent only by email, to all the Shareholders whose Email IDs are registered with the Company/ Depository Participant(s) for communication purposes to the Shareholders and to all other persons so entitled. Further, in terms of the applicable provisions of the Act, SEBI Listing Regulations read with the said Circulars issued by MCA and said SEBI Circular, the Annual Report including Notice of the 3rd AGM of the Company will also be available on the website of the Company at www.handicraftsvillage.com. The same can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com respectively and on the website of NSDL at www.evoting.nsdl.com
4. Electronic copy of the Notice of the 3rd Annual General Meeting of the Company indicating, inter alia, the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s)/RTA for communication purposes unless any member has requested for a hard copy of the same.
5. Brief Resume of the Director(s) seeking re-appointment, as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 {SEBI (LODR) Regulations, 2015} and Secretarial Standard on General Meeting (SS-2) as amended issued by the Institute of Company Secretaries of India (ICSI) is annexed hereto and forms part of Notice.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, September 22, 2023 to Thursday, September 28, 2023 (both days will be inclusive).
7. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, KFin Technologies Limited ('the RTA') to provide efficient and better services.

The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts.

8. Members may now avail the facility of nomination by nominating, in the prescribed form, a person to whom their shares in the Company shall vest in the event of their death. Interested Members may write to the Registrars and Share Transfer Agents for the prescribed form.
9. The documents referred to in the proposed resolutions are available for inspection at the Registered Office of the Company during working hours between 10:00 a.m. to 5:00 p.m. except on holidays.
10. Members seeking any information with regard to the accounts, are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the AGM.

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11. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified.
12. The Company's Registrar and Transfer Agent for its Share Registry Work (Physical and Electronic) is KFin Technologies Limited having their office Selenium Building, Tower-B, Plot No 31 & 32 Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana-500032 India.
13. There is no record date for the purpose of Dividend as the same is not recommended by the Board of Directors for the financial year 2022-23.
14. **Electronic dispatch of Annual Report and process for registration of email id for obtaining copy of Annual Report:** In compliance with the aforementioned MCA and SEBI Circulars, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Registrar and Share Transfer Agent/Depository Participant. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website www.handicraftsvillage.com and website of the Stock Exchanges i.e. BSE Limited at www.bseindia.com.
15. All the documents referred to in the accompanying Notice and the statement pursuant to Section 102(1) of the Act shall be available for inspection through electronic mode without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members are requested to write to the Company at www.handicraftsvillage.com for an inspection of said documents.

VOTING THROUGH ELECTRONIC MEANS:

16. In terms of the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 (as amended from time to time) and Regulation 44 of the SEBI Listing Regulations and the said Circulars, the Company is pleased to provide the facility of "e-voting" to its Shareholders, to enable them to cast their votes on the resolutions proposed to be passed at the AGM, by electronic means. The instructions for e-voting are given herein below. The Company has engaged the services of NSDL, who will provide the e-voting facility of casting votes to a Shareholder using remote e-voting system (e-voting from a place other than venue of the AGM) ("remote e-voting") as well as e-voting during the proceeding of the AGM ("e-voting at the AGM").

Further, in accordance with Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company has fixed Thursday, September 21, 2023 as the "cut-off date" to determine the eligibility to vote by remote e-voting or e-voting at the AGM.

17. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date, i.e. Thursday, September 21, 2023, shall be entitled to avail the facility of remote e-voting or e-voting at the AGM. Only those Shareholders, who will be present at the AGM and who would not have cast their vote by remote e-voting prior to the AGM and are otherwise not barred from doing so, shall be eligible to vote through e-voting system at the AGM.
18. **The instructions for shareholders voting electronically are as under:**
 - (i) The remote e-voting period begins on Monday, September 25, 2023 from 9.00 A.M and ends on Wednesday, September 27, 2023 at 5.00 P.M The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date)

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i.e. Thursday, September 21, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 21 2023.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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





Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

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

Pursuant to abovesaid SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nSDL.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com. Select “Register Online for</p>

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	<p>IDEAS Portal” or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</p> <p>2. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>3. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 10px;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</p>

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	<p>3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

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3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nSDL.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can 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	Your User ID is:
a) For Members who hold shares in demat account 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 Number followed by Folio Number registered with the company For example if folio number is 001**** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using 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 the system will force you to change your password.
- 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 from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account 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, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

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6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

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

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. 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” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

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 info@aycompany.co.in with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
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 to reset the password.

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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 or call on : 022 - 4886 7000 and 022 - 2499 7000 or send a request to Prajakta Pawle at PrajaktaP@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to info@handicraftsvillage.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (info@handicraftsvillage.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

Process for Those Shareholders Whose Email/Mobile No. Are Not Registered with The Company/Depositories.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository

If you have any queries or issues regarding attending AGM & e-Voting from the NSDL e-Voting System, you can write an email to evoting@nsdl.co.in or call NSDL toll free No. 022 - 4886 7000

- (i) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to evoting@nsdl.co.in
- (ii) Any person who acquired shares of the company and becomes shareholders of the company after dispatch of the Notice of AGM and holds shares as of the cut-off date i.e. Thursday, September 21, 2023, may obtain the login ID and password by sending a request at evoting@nsdl.co.in of Issuer/RTA.
- (iii) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off dated Thursday, September 21, 2023.

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- (iv) The board of directors has appointed Mr. Arpit Gupta (Membership No. - 421544), Practicing Chartered Accountants, Partner of M/s A Y & Company (Formerly Known as M/s Arpit R Gupta & Company) (505, Fifth Floor, ARG Corporate Park, Ajmer Road, Gopalbari Jaipur-302006, Rajasthan, India) as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.
- (v) The Scrutinizer shall after the conclusion of voting at the general meeting will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e- voting in the presence of at least two witnesses not in the employment of the company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any to the chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (vi) The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.handicraftsvillage.com after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to Stock Exchange.
- (vii) The entire Annual Report is also available on the Company's website www.handicraftsvillage.com.

**By order of the Board of Directors
For Shashwat Furnishing Solutions Limited**

Sd/-

**Ratika Khandelwal
Company Secretary**

**Place – Jodhpur, Rajasthan
Date –September 04, 2023**

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ANNEXURE TO NOTICE OF AGM

BRIEF RESUME OF THE DIRECTOR SEEKING RE-APPOINTMENT AT THE 3RD ANNUAL GENERAL MEETING TO BE HELD AT SEPTEMBER 04, 2023

Pursuant to Regulation 36 (3) of the Listing Regulations and Secretarial Standard on General Meetings issued by Institute of Company Secretaries of India (ICSI)

Particulars	Mrs. Mayuri Karnawat
Date of Birth	11/12/1985
Date of First Appointment on the Board	12/08/2021
Qualifications	Bachelor of Commerce
Expertise in specific functional areas	Mrs. Mayuri Karnawat is the Whole-Time Director of our Company w.e.f. September 04, 2021. She is involved in the business right from conceptualization stage for Planning and guiding the Business Activities.
Directorship/Committee memberships in other companies:	None
Directorships held in other listed companies (excluding foreign companies and Section 8 companies)	None
Memberships/ Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	None
Chairperson/ Members of the Statutory Committee (s) of Board of Directors of the Company as on date	Member of Stakeholders Relationship Committee
Number of shares held in the Company	85,000 Shares
Relationships with other Directors, Manager and other Key Managerial personnel	The appointee is related to Managing Director as sister-in-law, the appointee and Mr. Lalit Ghewarchand Karnawat, Whole-Time Director are related to each other as daughter-in-law and father-in-law.
Details of proposed remuneration	Rs.7,80,000 (Rs.65,000 per month)
Details of remuneration paid	Rs. 7,80,000
Number of meetings of the Board attend during the year	5 Board Meetings
DIN	09276591
Terms and conditions of Appointment-Re-appointment	Whole-Time Director liable to retire by rotation
The skills and capabilities required for the role and the manner in which the proposed person meets such requirements	The capabilities required for being the director is having experience in the industry in which the company operates. She is having sound and rich experience of our Industry.

By order of the Board of Directors

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For Shashwat Furnishing Solutions Limited

Sd/-

Ratika Khandelwal
Company Secretary

Place – Jodhpur, Rajasthan
Date – September 04, 2023

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BOARD'S REPORT

To

The Shareholders,

Your Directors have pleasure in presenting the 3rd (Third) Annual Report together with the Audited Financial Statements of your Company for the financial year ended March 31, 2023.

1. FINANCIAL RESULTS:

The Company's financial performance for the year ended March 31, 2023 is summarized as below:

Based on Standalone Financial Statement: -

(Amount in Lakhs)

Particulars	Current Year (2022-23)	Previous Year (2021-22)
Revenue from operations	456.80	137.60
Other income (net)	1.18	-
Total Income	457.98	137.60
Less:		
Operating & Administrative expenses	435.41	121.84
Profit Before Depreciation Interest & Tax	22.57	15.75
Less:		
Depreciation and amortization expense	2.58	1.70
Finance costs	4.62	-
Profit before exceptional item and tax	15.36	14.06
Exceptional item	-	-
Profit before tax (PBT)	15.36	14.06
Tax expense	(5.79)	3.54
Profit after tax for the year (PAT)	21.15	10.52

2. OPERATION & REVIEW:

Revenue from the operations of your Company for the year 2022-23 was Rs.456.80 Lakhs which is 231.98% more than Rs.137.60 Lakhs in the previous year. Profit before Depreciation Interest & Tax for the current year was Rs. 22.57 Lakhs against Rs. 15.75 Lakhs in the previous year. Profit after tax for the current year at Rs. 21.15 Lakhs was increased by 50.26% over Rs. 10.52 Lakhs in the previous year. Detailed report on operations of and structure of Business of the Company has been included in Management Discussion and Analysis Report, which forms part of this Annual Report.

3. SHARE CAPITAL

As on 31 March, 2023, The Authorized Capital of the Company was Rs.500 Lakhs (Rupees Five crores only) consisting of 50.00 Lakhs (Fifty Lakh) equity shares of Rs.10 each and the Issue and Paid up Capital of the Company was 208.80 Lakhs (Rupees two crore eight lakh eighty thousand only) consisting of 20,88,000 (Twenty lakh eighty-eight thousand) equity shares of Rs.10 each.

During the period under review, your Company entered into the Securities Market through Initial Public Offering (IPO). The Public Issue consisted of 5,58,000 (Five lakh fifty-eight thousand only) Equity shares of Rs. 10/- each at issue price of Rs. 45/- per Equity share, including a premium of Rs. 35/- per equity share aggregating to Rs. 251.10 Lakhs. The

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issue got over subscribed and the shares of your company got listed on SME platform of BSE Limited- BSE SME on May 04, 2022.

Subsequent to completion of the IPO, the paid-up share capital of the company increased to Rs. 2,08,80,000/- (Rupees Two crore eight lakh eighty thousand only).

4. STATEMENT OF UTILIZATION OF FUNDS RAISED THROUGH IPO UNDER REGULATIONS 32 (1) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

During the year under review, the company has come up with Initial Public Offer of 5,58,000 (Five lakh fifty-eight thousand only) Equity shares of Rs. 10/- each at issue price of Rs. 45/- per Equity share, including a premium of Rs. 35/- per equity share aggregating to Rs. 251.10 Lakhs.

Pursuant to Regulation 32(1)(a) and 32(1)(b) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company hereby states that:

- There was no deviation(s) in the utilization of public issue proceeds from the objects as stated in the prospectus dated April 11, 2022.
- There has been no variation(s) in the use of proceeds from the objects stated in the prospectus dated April 11, 2022.

5. DIVIDEND

The Board thinks that the profits should be retained for the expansion of the Company, which is in pipeline for more growth and value addition to the company and forming a strong business base so that revenue flows from many channels and hence the Directors of your Company do not recommend any dividend for FY 2022-23.

6. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the period under review, there is no unpaid/unclaimed dividend which is required to transfer in IEPF (Investor Education and Protection Fund) as per the provisions of the Companies Act, 2013.

7. TRANSFER TO RESERVES

The Company has not transferred any amount to the General Reserve account during the reporting period.

8. DEPOSITS FROM PUBLIC

During the financial year, the Company has not accepted deposits from the public falling within the ambit of Sections 73 and 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 and hence no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

9. CHANGE IN NATURE OF THE BUSINESS

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

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10. MATERIAL CHANGES AND COMMITMENTS

There is no material change and commitments affecting the Financial Position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO CONSERVATION OF ENERGY:

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

PARTICULARS	REMARKS
A) CONSERVATION OF ENERGY:	
<ul style="list-style-type: none"> • the steps taken or impact on conservation of energy; 	The Corporation is taking due care for using electricity in the office and its sites. The Corporation usually takes care for optimum utilization of energy. We are trying to minimize use of energy by using good rated and energy efficient appliances in factory as well as office premises.
<ul style="list-style-type: none"> • the steps taken by the company for utilizing alternate sources of energy; 	
<ul style="list-style-type: none"> • the capital investment on energy conservation equipments; 	
B) TECHNOLOGY ABSORPTION:	
<ul style="list-style-type: none"> • the efforts made towards technology absorption; 	NIL
<ul style="list-style-type: none"> • the benefits derived like product improvement, cost reduction, product development or import substitution; 	NIL
<ul style="list-style-type: none"> • in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- <ul style="list-style-type: none"> (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; Not applicable since 5 years period is over 	NIL
<ul style="list-style-type: none"> • the expenditure incurred on Research and Development 	During the financial year, the Company has not spent any amount towards research & development activity.
C) <u>FOREIGN EXCHANGE EARNINGS AND OUTGO</u>	
<ul style="list-style-type: none"> • The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows 	Nil

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12. SUBSIDIARY COMPANIES:

No company become or/ceased to be its Subsidiaries, Joint Venture or Associate Companies during the year. There are no subsidiaries, associate companies and joint venture companies of the Company as on the date of the closure of the financial year. Accordingly, the reporting on the performance and financial position of the Subsidiaries, joint ventures & associate companies is not applicable.

13. RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

As a global enterprise, the company is exposed to a range of external as well as internal risks that have a significant impact on its performance. In order to efficiently manage such risk, the Company has established a well-defined process of risk management, wherein the identification, analysis and assessment of the various risks, measuring of the probable impact of such risks, formulation of risk mitigation strategy and implementation of the same takes place in a structured manner. Though the various risks associated with the business cannot be eliminated completely, all efforts are made to minimize the impact of such risks on the operations of the Company. Our robust internal control system, for minimizing the risk, propels our culture of informed and responsible risk handling for attaining the organizational objectives with optimum utilization of resources.

14. TRANSACTIONS WITH RELATED PARTIES

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

Details of related party transactions for the year under review are given in Form AOC-2 as Annexure-I to this report.

All transactions with related parties were reviewed and approved by the Audit Committee of the Company. Prior omnibus approval is obtained for Related Party Transactions for transactions which are of repetitive nature and entered in the ordinary course of business and are at arm's length. All Related Party Transactions are subjected to independent review by a reputed accounting firm to establish compliance with the requirements of Related Party Transactions under the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

15. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the Financial Year 2022-23, the particulars of Loan given, Guarantees given and Investments made and securities provided along with the purpose for which the loan or guarantee, security provided to be utilized by the receipt are provided in the audited financial statements of the Company read with noted on accounts forming part of the financial statements.

16. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Board of Directors

The Board comprises highly experienced persons of repute and eminence. The Board composition is in conformity with the applicable provisions of the Act and the Listing Regulations, as amended from time to time. As on date of this Annual Report, the Board of the Company comprises of Six (06) Directors; One Managing Director, two Whole-Time Directors and remaining three being Independent Directors. As on the date of this report, the Board of the company constitutes of the following directors:

S.No	Name of Director	DIN Number	Designation
1.	Mr. Hitesh Karnawat	09097273	Chairman and Managing Director

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2.	Mr. Lalit Ghewarchand Karnawat	09097274	Whole-Time Director
3.	Mrs. Mayuri Karnawat	09276591	Whole-Time Director
4.	Mr. Adesh Bhansali	09298681	Independent Director
5.	Mr. Neelabh Gotecha	09298749	Independent Director
6.	Mr. Praveen Kumar Bokariya	08028204	Independent Director

During the year under review, there are no changes occurred on the Board of the company.

Change in Designation

During the year under review, there was no change in designation of any Director of the Company.

Key Managerial Personnel

In accordance to the provision of Section 2(51) read with Section 203 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as on the date of this report, Mr. Hitesh Karnawat is the Managing Director of the Company, Mr. Lalit Ghewarchand Karnawat is the Whole-Time Director, Mrs. Ratika Khandelwal is the Company Secretary and Compliance officer of the Company and Mrs. Mayuri Karnawat is the Whole-Time Director & Chief Financial Officer of the Company.

During the year under review, there are no changes occurred in the Key Managerial Personnel of the Company:

i. Retire by Rotation- Mrs. Mayuri Karnawat

Pursuant to Sections 149, 152 and other applicable provisions of the Companies Act, 2013, one-third of the directors of the company are liable to retire by rotation, and if eligible, they can offer themselves for the re-appointment. In this Annual General Meeting Mrs. Mayuri Karnawat (DIN: 09276591), Whole-Time Director of the Company is liable to retire by rotation and being eligible to offer herself for re-appointment.

The particulars of directors seeking appointment/ re-appointment/ liable to retire by rotation at this AGM are given in the Annexure to the explanatory statement enclosed to the notice of the AGM.

ii. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the corporate governance requirements as prescribed by the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (“SEBI Listing Regulations”) The Board has adopted a process for evaluating its performance and effectiveness as well as that of its Committees and carried out an annual evaluation of its own performance, Board Committees and the Directors individually. The Board and the Nomination & Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria and framework adopted by the Board. The evaluation criteria included various aspects such as, functionality of Board, compositions, process & procedures including adequate & timely information, attendance, delegation of responsibility, decision making, roles & responsibility including monitoring, benchmarking, feedback relationship with the stakeholders and as provided by the Guidance Note on Board Evaluation issued by SEBI dated January 05, 2017. In a separate meeting of the Independent Directors, performance of the Non-Independent Directors, the Board as a whole and the Chairman was also evaluated, on the basis of pre-set criterion. During the year, Board Evaluation cycle was completed by the Company internally which included the Evaluation of the Board as a

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whole, Board Committees and Peer Evaluation of the Directors. The Board was satisfied with the contribution of directors, in their respective capacities and as a team.

iii. Nomination and Remuneration Policy

The policy on nomination and remuneration of Directors, Key Managerial Personnel and other employees has been formulated in terms of the provision of The Companies act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in order to pay equitable remuneration to the Directors, Key Managerial Personnel and employees of the Company and to harmonize the aspiration of human resources consistent with the goals of the Company.

The Remuneration Policy has been updated on the website of the Company at <https://www.handicraftsvillage.com/index.php?page=investors>. The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate Annexure-IV forming part of this report. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of your Company. Any member interested in obtaining a copy of the same may write to the Company Secretary.

iv. Details of Director's Remuneration

The information relating to remuneration paid to directors as required under Section 197(12) of Companies Act, is given under Annexure-III.

v. Independent Directors

The Company has received declarations from all the Independent Directors confirming that they meet the 'Criteria of Independence' as specified under Section 149(6) of the Act and the Rules made thereunder and applicable provisions of Regulation 16(1)(b) of the Listing Regulations and are independent of the management.

vi. Certificate of Practicing Company Secretary

The Company has obtained a certificate from M/s MSV & Associates, Practicing Company Secretary, Jaipur stating that none of the Directors on the Board of the Company have been debarred/ disqualified from being appointed /continuing as Directors of any company, by the SEBI and Ministry of Corporate Affairs or any such Statutory authority, under Annexure- B.

17. BOARD EVALUATION

The Board evaluated the effectiveness of its functioning and that of the Committees and of individual directors by seeking their inputs on various aspects of Board/Committee Governance. The evaluation covered functioning and composition of the Board and its committees, understanding of the roles and responsibilities, experience, competencies, participation at the Board and Committee meetings, corporate governance practices etc.

Evaluation of the Board and its compositions was carried out through a defined process covering the areas of the Boards functioning viz. composition of the Board and Committees, understanding of roles and responsibilities, experience and competencies, contribution at the meetings etc.

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18. MEETING OF BOARD OF DIRECTORS AND COMPLIANCE TO SECRETARIAL STANDARD

The Board of Directors of the Company met five (5) times during the year i.e. on 29.05.2022, 20.07.2022, 08.10.2022, 14.11.2022 and 09.03.2023. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013. The Company has complied with the provisions of Secretarial Standard 1 (relating to meetings of the Board of Directors) and Secretarial Standard 2 (relating to General meetings) during the year.

Attendance of Directors during the Board Meeting

S. No	Name of Director	No. of meeting attended	No. of meeting entitled to attend
1.	Mr. Hitesh Karnawat	5	5
2.	Mr. Lalit Ghewarchand Karnawat	5	5
3.	Mrs. Mayuri Karnawat	5	5
4.	Mr. Adesh Bhansali	5	5
5.	Mr. Neelabh Gotecha	5	5
6.	Mr. Praveen Kumar Bokariya	5	5

19. GENERAL MEETING

During the period under review, the Annual general meeting of the company was held on 31st October, 2022.

20. BOARD COMMITTEES

With a view to have more focused attention on business and for better governance and accountability, the Board has the following mandatory committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee

The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes and proceedings of the meetings of all Committees are placed before the Board for review. The Minutes of the Committee Meetings are sent to all members of the Committee individually and tabled at the Board Meetings. Following are the details of Board Committees;

1. Audit Committee

Our Company has constituted an Audit Committee (“Audit Committee”), vide Board Resolution dated September 08, 2021, as per the applicable provisions of the Section 177 of the Companies Act, 2013 and also to comply with Regulation 18 of SEBI Listing Regulations, 2015 applicable upon listing of the Company’s Equity shares on SME platform of BSE, the constituted Audit Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Adesh Bhansali	Chairman	Non-Executive Independent Director
Mr. Praveen Kumar Bokariya	Member	Non-Executive Independent Director

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Mr. Hitesh Karnawat	Member	Chairman cum Managing Director
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The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries. The scope and function of the Audit Committee and its terms of reference shall include the following:

A. Tenure: The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

B. Meetings of the Committee: The committee shall meet at least four times in a year and not more than 120 days shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two Independent members at each meeting.

C. Role and Powers: The Role of Audit Committee together with its powers as Part C of Schedule II of SEBI Listing Regulation, 2015 as amended and Companies Act, 2013 shall be as under:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval, with particular reference to;
 - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;

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15. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
16. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. 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;
18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board.
20. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
21. To review the functioning of the whistle blower mechanism;
22. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
23. Audit committee shall oversee the vigil mechanism.
24. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings.
25. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations 2015.

Further, the Audit Committee shall mandatorily review the following:

- a) Management discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- f) Statement of deviations:
 - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

2. Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per Regulation 20 of SEBI Listing Regulations, 2015 as amended vide Resolution dated September 08, 2021. The constituted Stakeholders Relationship Committee comprises the following:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Praveen Kumar Bokariya	Chairman	Non-Executive Independent Director
Mr. Neelabh Gotecha	Member	Non-Executive Independent Director
Mr. Mayuri Karnawat	Member	Whole- Time Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholders Relationship Committee. The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

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- A. Tenure:** The Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.
- B. Meetings:** The Stakeholders Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.
- C. Terms of Reference:** Redressal of shareholders' and investors' complaints, including and in respect of:
- Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
 - Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
 - Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
 - Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
 - Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
 - Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.
 - Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
 - Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

3. Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee as per Regulation 19 of SEBI Listing Regulations, 2015 as amended vide Resolution dated September 08, 2021. The Nomination and Remuneration Committee comprise the following:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Neelabh Gotecha	Chairman	Non-Executive Independent Director
Mr. Adesh Bhansali	Member	Non-Executive Independent Director
Mr. Praveen Kumar Bokariya	Member	Non-Executive Independent Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

A. Tenure: The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

B. Meetings: The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders queries; however, it shall be up to the chairperson to decide who shall answer the queries.

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C. Role of Terms of Reference:

- Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- Decide the amount of Commission payable to the Whole Time Directors;
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc; and
- To formulate and administer the Employee Stock Option Scheme.

21. EXTRACT OF ANNUAL RETURN

In accordance with the provisions of Section 134(3) read with Section 92(3) of the Companies Act, 2013, the Annual Return as on March 31, 2023 is available on website of the Company and can be viewed www.handicraftsvillage.com. By virtue of amendment to Section 92(3) of the Companies Act, 2013, the Company is not required to provide extract of Annual Return (Form MGT-9) as part of the Board's report.

22. DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) in the preparation of the annual financial statements, applicable accounting standards have been followed and there are no material departures from the said standards;
- (ii) such accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2023 and of the profit of the company for the year ended on that date;
- (iii) proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for prevention and detection of fraud and other irregularities;
- (iv) the annual financial statements have been prepared on a going concern basis;
- (v) proper internal financial controls are in place and are adequate and are operating effectively; and
- (vi) the systems to ensure compliance with the provisions of all applicable laws are in place and are adequate and operating effectively.

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23. STATUTORY AUDITORS

Pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), the company has reappointed M/s. A Y and Company, Chartered Accountants, as the Statutory Auditors of the Company for a period of 5 years, to hold office from the conclusion of 2nd Annual General meeting until the conclusion of the 7th Annual General Meeting of the Company to be held for the financial year to be ended on March 31, 2027.

The reports given by the Statutory Auditor on the financial statement of the Company are forming part of this Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Statutory Auditor in their Report for the financial year ended March 31, 2023.

24. SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s MSV & Associates, Company Secretary in practice to undertake the Secretarial Audit of the Company for the year under review. The Board has duly reviewed the Secretarial Auditor's Report and the comments, appearing in the report are self-explanatory and do not call for any further explanation by the Board of Directors as provided under section 134 of the Act. The Secretarial Audit Report is annexed herewith as "Annexure-II".

25. INTERNAL AUDITORS

In terms of Section 138 of the Companies Act, 2013 and Rules made there under, M/s. Singhvi Mehta and Associates, Chartered Accountants, have been appointed as an Internal Auditors of the Company for Financial Year 2022-23. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of works includes, Review of the accuracy and reliability of the Corporation accounting records and financial reports, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths, opportunities for cost saving and recommending company for improving cost efficiencies.

26. REPORT ON CORPORATE GOVERNANCE

Our company provides utmost importance at best Governance Practices and are designated to act in the best interest of its stakeholders. Better governance practice enables the company to introduce more effective internal controls suitable to the changing nature of business operations, improve performance and also provide an opportunity to increase stakeholders understanding of the key activities and policies of the organization.

Our Company has incorporated the appropriate standards for corporate governance. Pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is not required to mandatorily comply with the provisions of certain regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence, company is not filing Corporate Governance Report to stock exchange quarterly and not providing the Corporate Governance Report as the part of this Annual Report.

27. MANAGEMENT AND DISCUSSION ANALYSIS REPORT:

A Separate report on Management Discussion and Analysis Report as required under clause 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been presented in a separate section forming part of this Annual Report.

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28. VIGIL MECHANISM /WHISTLE BLOWER POLICY

As per the provisions of Section 177 (9) & (10) of the Companies Act, 2013 read with Regulation 22 of Securities and Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has a Whistle Blower Policy with a view to provide vigil mechanism to Directors, employees and other stakeholders to disclose instances of wrong doing in the workplace and report instances of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Whistle Blower Policy also states that this mechanism should also provide for adequate safeguards against victimization of Director(s)/ Employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The Policy is available on the Company's website at www.handicraftsvillage.com.

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

Your Company has zero tolerance towards any action on the part of any of its officials, which may fall under the ambit of "Sexual Harassment" at workplace. Pursuant to the provisions of Section 21 of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition, Redressal) Act, 2013, the Company formulated a Policy on Prevention of Sexual Harassment at Workplace. All employees (permanent, contractual, temporary, trainees, etc) are covered under this policy. An Internal Complaints Committee (ICC) was constituted which is responsible for redressal of complaints related to sexual harassment at the workplace.

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 read with Rules thereunder, the Internal Complaints Committee of the Company has not received any complaint of Sexual Harassment during the year under review and no complaint was pending as of 31st March, 2023.

Pursuant to the said Act, the details regarding the number of complaints received, disposed and pending during the FY 2022-23, pertaining to incidents under the above framework/ law are as follows:

Particulars	Numbers
Number of complaints pending at the beginning of the financial year	Nil
Number of complaints received during the financial year	Nil
Number of complaints disposed off during the financial year	Nil
Number of complaints those remaining unresolved at the end of the financial year	Nil

30. BUSINESS RESPONSIBILITY REPORT

As stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility Report describing the initiatives taken by the Company from an environmental, social and governance perspective is not applicable to your company being SME listed company, as per the exemptions provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

31. EQUAL EMPLOYMENT OPPORTUNITIES

Being an equal opportunity employer, the company will do its utmost to ensure that all of its employees are treated fairly during the period of their employment irrespective of their race, religion, sex (including pregnancy), color, creed, age, national origin, physical or mental disability, citizenship status, ancestry, marital status, veteran status, political

SHASHWAT FURNISHING SOLUTIONS LIMITED ***ANNUAL REPORT 2022-23***

affiliation, or any other factor protected by law. All decisions regarding employment will be taken based on merit and business needs only.

32. POLICY ON CODE OF CONDUCT AND ETHICS

Being a SME listed Company exemption has been provided to the Company from formulating of Code of Conduct for Board of Directors and Senior Management Personnel. However, Board of Directors has formulated and adopted Code of Business Conduct Ethics for Director & Senior Management Executive policy. As an organization your Company places a great importance in the way business is conducted and the way each employee performs his/her duties. Your Company encourages transparency in all its operations, responsibility for delivery of results, accountability for the outcomes of our actions, participation in ethical business practices and being responsive to the needs of our people and society. Towards this end, your Company has laid down a Code of conduct applicable to all the employees of your Company and conducted various awareness sessions across the Company. The Code provides for the matters related to governance, compliance, ethics and other matters. In this regard certificate from Managing Director as required under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been received by the Board and the same is attached herewith as per Annexure – V.

The detailed Code of Business Conduct Ethics for Director & Senior Management Executive policy available on below link: www.handicraftsvillage.com.

33. DISCLOSURE WITH RESPECT TO MAINTENANCE OF COST RECORDS

Your Company doesn't fall within the scope of Section 148(1) of the Companies Act, 2013 and hence does not require to maintain cost records as specified by the Central Government.

34. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The provisions of Section 135 of the Companies Act, 2013 are not applicable to your Company. However, the Company constantly strives to ensure strong corporate culture which emphasizes on integrating CSR values with business objectives.

35. MD AND CFO CERTIFICATION

In terms of Regulation 17(8) of the Listing Regulations, the Managing Director and CFO has certified to the Board of Directors of the Company with regard to the financial statements and other matters specified in the said regulation for the financial year 2022-23. The certificate received is attached herewith as per Annexure – VI.

36. LISTING FEES

The Company affirms that the annual listing fees for the year 2023-24 to the BSE Limited (BSE SME) has been duly paid.

37. HUMAN RESOURCE DEVELOPMENT

The Company sees its employees as critical to the future and believes that every employee needs to possess apart from competence, capacity and capabilities, sustainable values, current and contemporary which would make them useful and relevant and competitive in managing the change constructively for overall growth of the organization. To this end the company's approach and efforts are directed towards creating a congenial work atmosphere for individual growth, creativity and greater dedicated participation in organizational development. The Company believes that the success of

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an organization largely depends on the quality of its workforce. Employee relations remained cordial and peaceful throughout the year.

38. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014 in respect of employees of the Company will be provide upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto excluding the information on employee's particulars which is available for inspection by members at the registered office of the Company during the business hours on all working days of the Company up to the date of ensuing Annual General Meeting of the Company. If any member is interested in inspection the same, the member may write to the Company Secretary in advance.

39. REPORTING OF FRAUDS

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor has reported to the Audit Committee under Section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in boards report.

40. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY:

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company' future operations.

41. DISCLOSURE IN REFERENCE OF SUB RULE 1 CLAUSE (C) SUB CLAUSE (VIII) OF RULE 2 OF COMPANIES (ACCEPTANCE OF DEPOSITS) RULES 2014

During the period under review the company has accepted unsecured loan from one of the director.

42. AFFIRMATION ON COMPLIANCE OF SECRETARIAL STANDARDS

The Company hereby affirms that during the year under review the Company has complied with all the applicable mandatory secretarial standards (including any modifications or amendments thereto) issued by the Institute of Company Secretaries of India. The Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India on Board and General Meetings

43. PREVENTION OF INSIDER TRADING

The Company has adopted a Code of conduct for prevention of Insider Trading ("the Code") in accordance with the SEBI(Prohibition of Insider Trading) Regulations, 2015 (The PIT Regulations).The Code is applicable to Promoters and Promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company and connected persons. The Company Secretary is the Compliance Officer for monitoring adherence to the said PIT Regulations. The copy of the same is available on the website of the Company at the www.handicraftsvillage.com.

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44. INVESTOR GRIEVANCE REDRESSAL

As per regulation 13 of SEBI (Listing Obligation & disclosure Requirements), Regulations 2015 the number of complaints received and resolved to the satisfaction of investors during the year under review. There were no pending complaint or share transfer cases as on 31st March 2023, as per the certificate given by RTA.

45. 'THINK GREEN, GO GREEN' INITIATIVE

The Companies Act, 2013 permits companies to send documents like Notice of Annual General Meeting, Annual Report and other documents through electronic means to its members at their registered email addresses, besides sending the same in physical form.

As a responsible Corporate Citizen, the Company has actively supported the implementation of 'Green Initiative' of Ministry of Corporate Affairs (MCA) and effected electronic delivery of Notices and Annual Reports to those shareholders whose email ids were already registered with the respective Depository Participants (DPs) and who have not opted for receiving such documents in physical form.

Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address with the Registrar and Share Transfer agent (R&TA) of the Company/Depository participant (DP) of respective member and take part in the Green Initiative of the Company, for receiving electronic communications and support the "THINK GREEN, GO GREEN" initiative.

Further, pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing e-voting facility to all members to enable them to cast their votes electronically in respect of resolutions set forth in the Notice of Annual General Meeting (AGM). The detailed instructions for e-voting are provided in the Notice of AGM.

46. CAUTIONARY NOTE

Statements in this Board's Report and Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include raw material availability and its prices, cyclical demand and pricing in the Company's principle markets, changes in Government regulations, Tax regimes, economic developments in the Country and other ancillary factors.

47. OTHER DISCLOSURES

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

- a) As per rule 4(4) the Companies (Share Capital and Debentures) Rules, 2014, the Company has not issued equity shares with differential rights as to dividend, voting or otherwise.
- b) As per rule 8(13) the Companies (Share Capital and Debentures) Rules, 2014, the Company has not issued shares (including sweat equity shares) to employees of the Company under any scheme;
- c) As per rule 12(9) the Companies (Share Capital and Debentures) Rules, 2014, the Company has not issued equity shares under the scheme of employee stock option;
- d) No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable; and

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- e) There was no revision of financial statements and Board's Report of the Company during the year under review.
- f) The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.
- g) Since the Company has not formulated any scheme of provision of money for purchase of own shares by employees or by trustee for the benefits of employees in terms of Section 67(3) of the Act, no disclosures are required to be made;

48. ACKNOWLEDGEMENT

The Directors would like to express their appreciation and thank the Government of India and concerned Government departments and agencies for the continued help and cooperation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. clients, members, vendors, banks and other business partners for the excellent support received from them during the year and look forward to their continued support in future. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company

For and on behalf of the Board
Shashwat Furnishing Solutions Limited

Sd/-

Lalit Ghewarchand Karnawat
Whole-Time Director
DIN – 09097274

Sd/-

Hitesh Karnawat
Chairman & Managing Director
DIN – 09097273

Date: September 04, 2023
Place: Jodhpur, Rajasthan.

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ANNEXURE –I

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for 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 proviso thereto:

- 1. Details of contracts or arrangements or transactions not at arm's length basis:** Shashwat Furnishing Solutions Limited has not entered into any contract/arrangement/transaction with its related parties which are not in ordinary course of business or at arm's length during FY 2022-23.
- 2. Details of material contracts or arrangement or transactions at arm's length basis:**

Name of Related Party	Nature of Relationship	Nature of Contract/ Arrangement/ Transactions	Duration of Contract/ Arrangement/ Transactions	Salient Terms of the Contract or Arrangement or Transactions including the value, if any	Amount received/ paid as advance, if any (Rs)
Hitesh Karnawat	Chairman cum Managing Director	Director Remuneration	--	--	Rs.12,96,000
		Unsecured Loan	Unsecured Loan taken during the year	--	Rs.86,000
Lalit Ghewarchand Karnawat	Whole-Time Director	Director Remuneration	--	--	Rs.7,20,000
		Rent Expenses	--	--	Rs.84,000
Mayuri Karnawat	Whole-Time Director & Chief Financial Officer	Director Remuneration	--	--	Rs.7,80,000
Ratika Khandelwal	Company Secretary & Compliance Officer	Salary	--	--	Rs.1,44,000

Note: The above-mentioned transactions were entered into by the Company in its ordinary course of business.

For and on behalf of the Board
Shashwat Furnishing Solutions Limited

Sd/-

Sd/-

Date: September 04, 2023
Place: Jodhpur, Rajasthan.

Lalit Ghewarchand Karnawat
Whole-Time Director
DIN – 09097274

Hitesh Karnawat
Chairman & Managing Director
DIN – 09097273

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ANNEXURE II

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2023
[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
SHASHWAT FURNISHING SOLUTIONS LIMITED
121, Mahaveer Nagar, Jain Colony
Jodhpur, Rajasthan-342001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SHASHWAT FURNISHING SOLUTIONS LIMITED (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my 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, the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and there presentations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 (‘Audit Period’) generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company as per Annexure A for the Financial Year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’): -
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

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- iv. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the period)
 - v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;(Not applicable to the Company during the period)
 - vi. 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;
 - vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;(Not applicable to the Company during the period) and
 - viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;(Not applicable to the Company during the period)
 - ix. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015;
- (vi) We further report that having regard to the compliance system prevailing in the company and on examination of relevant documents and records in pursuance thereof, on test check basis, the company has generally complied with other laws identified by the management as applicable specifically to the company broadly covering Laws relating to Information Technology sector.

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

- i. Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS- 2) issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with the NSE read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

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

We further report that

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

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

All decision of Board and committee meetings were carried with requisite majority.

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 undertaken any specific event / action that can have a bearing on the Company's compliance responsibility in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc., except as follows:

SHASHWAT FURNISHING SOLUTIONS LIMITED
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- i) The company has allotted 5,58,000 Equity shares of Rs 10/- each at an issue price of Rs 45/- per equity share (including a premium of Rs 35/- per equity share) aggregating to Rs 25110000/- by way of Initial Public Offer (“IPO”) by passing Board resolution in the Board Meeting of the Company held on April 29, 2022.

Place: Jaipur
Date: 22-08-2023

For MSV & Associates
Practicing Company Secretaries
FRN: P2018RJ071900
Peer Review Certificate No.: 1924/2022

Name of Company Secretary: Vivek Sharma
Partner
FCS No. 10663|CP. No. 14773
UDIN: F010663E000844661

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

SHASHWAT FURNISHING SOLUTIONS LIMITED
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ANNEXURE - A

To,
The Members
SHASHWAT FURNISHING SOLUTIONS LIMITED
121, Mahaveer Nagar, Jain Colony
Jodhpur, Rajasthan-342001

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices.
7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Jaipur
Date: 22-08-2023

For MSV & Associates
Practicing Company Secretaries
FRN: P2018RJ071900
Peer Review Certificate No.: 1924/2022

Name of Company Secretary: Vivek Sharma
Partner
FCS No. 10663|CP. No. 14773
UDIN: F010663E000844661

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ANNEXURE III

Particulars Pursuant to Section 197(12) of the Companies Act, 2013 Read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014:

- (i) The percentage increase in remuneration of each director, Chief Financial Officer and Company secretary during the financial year 2022-23, ratio of the remuneration of the employees of the company for the financial year 2022-23 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the company are as under:

S.No	Name of Director, KMP and Designation	Remuneration of Director/ KMP for F.Y.2022-23 (in Lacs)	% increase in Remuneration in F.Y.2022-23	Ratio of remuneration of each director/to median remuneration of employees
1.	Hitesh Karnawat Chairman & Managing Director	12.96		7.32
2.	Lalit Ghewarchand Karnawat Whole-Time Director & Chief Financial Officer	7.20		4.07
3.	Mayuri Karnawat Whole-Time Director	7.80		4.41
4.	Adesh Bhansali Non-executive Independent Director	-		-
5.	Praveen Kumar Bokariya Non-executive Independent Director	-		-
6.	Neelabh Gotecha Non-executive Independent Director	-		-
7.	Ratika Khandelwal Company Secretary	1.44		0.81

Note:

1. Independent Director were paid only sitting fees during the financial year under review. Hence, their ratio to Median Remuneration has been shown as Nil.
 - (i) The median remuneration of employee of the company during the Financial Year was 1.58
 - (ii) In the Financial Year, the median remuneration of employees is decreased by 177.22%
 - (iii) There were 12 Permanent employees on the rolls of company as on March 31, 2023.
 - (iv) Average percentage increase made in the salaries of employees other than the managerial personnel in comparison of the last financial year is 100%. New employees have been appointed in FY 2022-23
 - (v) The remuneration is as per the recommendations of the Nomination Remuneration committee

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(vi) It is hereby affirmed that the remuneration paid is as per the remuneration policy for Directors, Key Managerial Personnel and other Employees.

Place : Jodhpur, Rajasthan

Date : September 04, 2023

For and on behalf of Board of Directors

Hitesh Karnawat
Chairman & Managing Director
DIN: 09097273

ANNEXURE IV

NOMINATION AND REMUNERATION POLICY

Introduction:

This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee, in compliances with Section 178 of the Companies Act, 2013 read along with applicable rules and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Objectives of the Committee:

The Committee shall:

1. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
2. Formulation of criteria for evaluation of the Independent Director and to carry out evaluation of every Director's performance and to provide necessary report to the Board for further evaluation.
3. Devising a policy on Board diversity.
4. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
5. To provide to Key Managerial Personal and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
6. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
7. Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
8. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
9. To perform such other functions as may be necessary or appropriate for the performance of its duties.
10. To develop a succession plan for the Board and to regularly review the plan.

Definitions:

- "Act":- Act means the Companies Act, 2013 and Rules framed there under, as amended from time to time.
- "Board":-Board means Board of Directors of the Company.
- "Director":-Directors means Directors of the Company.
- "Committee":-Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time.
- "Company": - Company means Shashwat Furnishing Solutions Limited.
- "Independent Director":- As provided under the Companies Act, 2013, 'Independent director' shall mean a non-executive director, other than a nominee director of the Company:
 - a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
 - b. (i) who is or was not a promoter of the Company or its holding, subsidiary or associate company;
 - (ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
 - c. apart from receiving director's remuneration, has or had no pecuniary relationship with the Company, its holding, subsidiary or associate Company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
 - d. none of whose relatives has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate Company, or their promoters, or directors, amounting to two percent. or more of its gross turnover or total

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income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;

e. who, neither himself nor any of his relatives —

i. holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

ii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed; of-

(A). a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate Company; or

(B). any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate Company amounting to ten per cent or more of the gross turnover of such firm;

iii. holds together with his relatives two per cent or more of the total voting power of the Company; or

iv. is a Chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate Company or that holds two per cent or more of the total voting power of the Company; or f. who possesses such other qualification as may be prescribed under the applicable statutory provisions/ regulations

g. is a material supplier, service provider or customer or a lessor or lessee of the Company; h. who is not less than 21 years of age.

- “Key Managerial Personnel”:- Key Managerial Personnel (KMP) means- (i) the Chief Executive Officer or the managing director or the manager; (ii) the Whole-Time Director; (iii) the Company Secretary; 3 (iv) the Chief Financial Officer; and (v) such other officer as may be prescribed under the applicable statutory provisions/ regulations.
- “Senior Management”:- The expression “senior management” means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.
- “Nomination and Remuneration Committee” shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013.
- “Policy or This Policy” means, “Nomination and Remuneration Policy”.
- “Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein. Guiding Principles

The Policy ensures that

- i. 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.
- ii. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- iii. Remuneration to Directors, Key Managerial Personnel 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.

Applicability:

The Policy is applicable to:

- i. Directors (Executive and Non-Executive)
- ii. Key Managerial Personnel
- iii. Senior Management Personnel
- iv. Employees

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Constitution of the Nomination and Remuneration Committee:

The Board has the power to constitute/ reconstitute the Committee from time to time in order to make it consistent with the Company's policy and applicable statutory requirement. At present, the Nomination and Remuneration Committee comprises of following Directors:

1. Mr. Neelabh Gotecha, Chairman Non-Executive Independent Director;
2. Mr. Adesh Bhansali, Member Non-Executive Independent Director;
3. Mrs. Praveen Kumar Bokariya, Member Non-Executive Director.

Membership:

- a. The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.
- b. Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c. Membership of the Committee shall be disclosed in the Annual Report.
- d. Term of the Committee shall be continued unless terminated by the Board of Directors.

Chairman:

- a. Chairman of the Committee shall be an Independent Director.
- b. Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- c. In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d. Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

Frequency of Meetings:

The Committee shall meet at such regular intervals as may be required.

Committee Members' Interests:

- a. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

Secretary:

- a. The Company Secretary of the Company shall act as Secretary of the Committee.

Voting:

- a. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b. In the case of equality of votes, the Chairman of the meeting will have a casting vote.

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General Appointment Criteria:

- i. The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.
- ii. The Company should ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made there under or any other enactment for the time being in force.
- iii. The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made there under, or any other enactment for the time being in force.
- iv. The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

Term / Tenure:

The Term / Tenure of the Directors shall be governed as per provisions of the Companies Act, 2013 and rules made there under as amended from time to time.

1. Managing Director/Whole-time Director/Manager (Managerial Person):- The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years at a time. No reappointment shall be made earlier than one year before the expiry of term.
2. Independent Director: - An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves as an Independent Director.

Evaluation:

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management at regular interval (yearly).

Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

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Retirement:

The Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

Criteria for Evaluation of the Board:

Following are the Criteria for evaluation of performance of the Board:

1. Executive Directors:

The Executive Directors shall be evaluated on the basis of targets/Criteria given to executive Directors by the Board from time to time

2. Non-Executive Director:

The Non-Executive Directors shall be evaluated on the basis of the following criteria i.e. whether they:

- (a) act objectively and constructively while exercising their duties;
- (b) exercise their responsibilities in a bona fide manner in the interest of the Company;
- (c) devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- (d) do not abuse their position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (e) refrain from any action that would lead to loss of his independence
- (f) inform the Board immediately when they lose their independence,
- (g) assist the Company in implementing the best corporate governance practices.
- (h) strive to attend all meetings of the Board of Directors and the Committees;
- (i) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (j) strive to attend the general meetings of the Company;
- (k) keep themselves well informed about the Company and the external environment in which it operates;
- (l) do not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (m) moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.
- (n) abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading etc.

Policy on Board diversity:

The Board of Directors shall have the optimum combination of Directors from the different areas/fields like production, Management, Quality Assurance, Finance, Sales and Marketing, Supply chain, Research and Development, Human Resources etc or as may be considered appropriate. The Board shall have at least one Board member who has accounting or related financial management expertise and financially literate.

Remuneration:

The Committee will recommend the remuneration to be paid to the Managing Director, Whole Time Director, KMP and Senior Management Personnel to the Board for their approval. The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a

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balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals:

General:

1. The remuneration / compensation / commission etc. to Managerial Person, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
2. The remuneration and commission to be paid to Managerial Person shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.
3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Person. Increments will be effective from the date of reappointment in respect of Managerial Person and 1st April in respect of other employees of the Company.
4. Where any insurance is taken by the Company on behalf of its Managerial Person, KMP and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

Remuneration to Managerial Person, KMP and Senior Management:

1. Fixed pay: Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
2. Minimum Remuneration: If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.
3. Provisions for excess remuneration: If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

Remuneration to Non-Executive / Independent Director:

1. Remuneration / Commission: The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.
2. Sitting Fees: The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
3. Limit of Remuneration /Commission: Remuneration /Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

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MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management of the Company is pleased to present its report on the Industry Scenario including on the Company's performance during the financial year 2022-23.

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

Global Economic Outlook

Global growth is projected to fall from an estimated 3.5 percent in 2022 to 3.0 percent in both 2023 and 2024. While the forecast for 2023 is modestly higher than predicted in the April 2023 World Economic Outlook (WEO), it remains weak by historical standards. The rise in central bank policy rates to fight inflation continues to weigh on economic activity. Global headline inflation is expected to fall from 8.7 percent in 2022 to 6.8 percent in 2023 and 5.2 percent in 2024. Underlying (core) inflation is projected to decline more gradually, and forecasts for inflation in 2024 have been revised upward.

The recent resolution of the US debt ceiling standoff and, earlier this year, strong action by authorities to contain turbulence in US and Swiss banking reduced the immediate risks of financial sector turmoil. This moderated adverse risks to the outlook. However, the balance of risks to global growth remains tilted to the downside. Inflation could remain high and even rise if further shocks occur, including those from an intensification of the war in Ukraine and extreme weather-related events, triggering more restrictive monetary policy. Financial sector turbulence could resume as markets adjust to further policy tightening by central banks. China's recovery could slow, in part as a result of unresolved real estate problems, with negative cross-border spillovers. Sovereign debt distress could spread to a wider group of economies. On the upside, inflation could fall faster than expected, reducing the need for tight monetary policy, and domestic demand could again prove more resilient.

In most economies, the priority remains achieving sustained disinflation while ensuring financial stability. Therefore, central banks should remain focused on restoring price stability and strengthen financial supervision and risk monitoring. Should market strains materialize, countries should provide liquidity promptly while mitigating the possibility of moral hazard. They should also build fiscal buffers, with the composition of fiscal adjustment ensuring targeted support for the most vulnerable. Improvements to the supply side of the economy would facilitate fiscal consolidation and a smoother decline of inflation toward target levels.

SUMMARY OF OUR BUSINESS

Our company is engaged in processing of semi-finished furniture products into finished products. Our company specialize in developing a qualitative range of Industrial Furniture and Restaurant and Cafe Furniture, Garden and Outdoor Furniture Vintage Furniture, Mirror Frames, Wall clocks and various other decoration & handicrafts objects. We are instrumental in presenting a wide assortment of exclusively designed products, such as Restaurant Furniture, Cafe Furniture, and Metal Furniture. Our expert professionals are devoted to developing an exclusive product range capable to gain a nationwide appreciation for its remarkable finish, unique designs, trendy colour combinations, flawless detailing, unbreakable quality and higher durability. It is one of the Trade India's verified and trusted sellers providing satisfactory range of all kind of furniture.

Our Company's proficiency lies in understanding the specific requirement of our customers and based on which we place the order of our products to manufacturer having requisite manufacturing facilities. We source our products from reliable manufacturers of the market. We purchase the order in semi-finished condition and then process the same by finishing, assembling and repairing turning them into finished products. Our company make further sales to wholesalers, retailers and customers through online platforms such as Indiamart, Trade India, Exporter India and Trade Pooja etc.

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We are committed to gain a distinguished reputation and as an emerging company, our objectives towards differentiation are further strengthened by our rigorous research and analysis activities. We have implemented advanced technology that equips us to design and develop decorative items with computerized processes. Our products are cherished by the corporate sector and widely utilized for gifting and decorative purpose in the hospitality industry. We owe our rapid growth to the allied support of leading vendors who underpin our vigilant approach to source premium quality raw products. Besides, our production efficiency gained us huge acclamation across the country.

OUR COMPETITIVE STRENGTHS

We believe that the following are our primary competitive strengths:

Experienced Management Team: -

Our management team is experienced in the industry in which we are operating and has been responsible for the growth of our operations and financial performance. Our Promoter Mr. Hitesh Karnawat leads the company with his vision. They are having an adequate experience in the line of the business undertaken by the Company and look after the strategic as well as day to day business operations. The strength and entrepreneurial vision of our Promoter and management have been instrumental in driving our growth and implementing our strategies. We believe that the experience of our management team and its in-depth understanding of the furniture market in the region will enable us to continue to take advantage of both current and future market opportunities.

Existing Supplier Relationship: -

Our existing supplier relationship protects the business with terms of supply and pricing of the products, the quality of the products offered etc. We, being a small and medium size organisation, rely on personal relationships with suppliers. Our company enjoys existing relationship with our suppliers. Further we also leverage the past experience of our management in maintaining effective supplier relationship.

Scalable Business Model:-

We believe that our business model is scalable. Our business model is customer centric, and requires optimum utilization of our existing resources, assuring quality supply and achieving consequent economies of scale. The business scale generation is basically due to development of new markets both domestic and international by exploring customer needs and by maintaining the consistent quality output.

Quality Assurance and Standards: -

We believe in providing our customers the best quality products. Our ability to maintain and improve the products we offer to customers enables us to generate stable revenue and minimize customer complaints. We are very particular from usage of right quality of material for production. Our dedicated efforts towards the quality of material have helped us gain a competitive advantage over others. We believe that our quality production has earned us a goodwill from our customers.

OUR BUSINESS STRATEGY

Leveraging our Market skills and Relationships

Our Company believes that our business is a by-product of relationships. This is a continuous process in our organization and the skills that we impart in our people give importance to customers. We aim to enhance the growth by leveraging

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our relationships and further enhancing customer satisfaction. We plan to increase our customers by meeting orders in hand on time, maintaining our customer relationship and renewing our relationship with existing buyers.

Improving functional efficiencies

Our Company intends to improve functional efficiencies to achieve cost reductions to have a competitive edge over the peers. Our employees are regularly motivated to increase efficiency with error free exercise. We believe that this can be done through continuous process improvements. Further we believe that this can be done through domestic presence and economies of scale. Increasing our penetration in existing regions with new range of products, will enable us to penetrate into new catchment areas within these regions and optimize our infrastructure. As a result of these measures, our company will be able to increase its market share and profitability.

Enhance customer base and to establish long-term relationships

We intend to cater to the increasing demand of our existing customers and also to increase our existing customer base by enhancing the distribution reach of our products in different parts of the country. We propose to increase our marketing and sales team which can focus in different regions and also maintain and establish relationship with customers. Enhancing our presence in additional regions will enable us to reach out to a larger population. Further our company believes in maintaining long term relationship with our customers in terms of increased sales. We aim to achieve this by value adding value to our customers through innovation, quality assurance and timely delivery of our products.

To build-up a professional organization

As an organization, we believe in transparency and commitment in our work and with our customers. We have an experienced team for taking care of our day-to-day operations. We also consult with external agencies on a case-to-case basis on technical and financial aspects of our business. We will consistently put efforts among its group of experienced employees to transform them into an outstanding team of empowered professionals which helps in further accelerating the wheels of development of the Organization.

Expand geographical reach

We intend to expand our presence by identifying markets where we can provide cost-effective and quality products to prospective customers. Further, we seek to capitalize on our existing experience, established contacts with customers and manufactures.

2. OPPORTUNITIES AND THREATS

Opportunities

- Potential to provide other value added services
- Expanding new geographical area
- Opportunities in Indian Market
- Government thrust for development will boost in rise in demand.

Threats

- Increased Competition from Big Players
- Change in Government Policies

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- Rising labour wages
- There are no entry barriers in our industry which puts us to the threat of competition from new entrants

3. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company is primarily engaged in the processing of semi-finished furniture products into finished products and manufacturing through job work of furniture and handicraft items, which in the context of AS 117 on “Operating Segments” constitutes a single reporting segment. Further, there are no reportable geographical segments.

4. OUTLOOK

Handicrafts is one of the most important sectors in the Indian economy employing more than seven million people. The country produces woodware, artmetal wares, handprinted textiles, embroidered goods, zari goods, imitation jewellery, sculptures, pottery, glassware, attars, agarbattis, etc. The handicraft industry in India is dominated by female artisans with over 56% of the total artisan. The country has 744 handicraft clusters employing nearly 212,000 artisans and offering over 35,000 products.

India is one of the largest handicrafts exporting country and a clear leader in the homemade carpet segment both in terms of volume and value. During April 2022-February 2023, the total exports of handicrafts stood at US\$ 3 billion. In 2021-22, the total exports of Indian handicrafts were valued at US\$ 4.35 billion, a 25.7% increase from the previous year.

India boasts of a rich heritage of unique craftsmanship, woodwork, carpentry & furniture with regions like Jodhpur emerging as demand centers for the local industry. India's Furniture Exports witnessed a 220% increase from USD 810 Mn in 2018-19 to USD 2.6 Bn in 2022-2023.

5. THREATS, RISK AND CONCERNS

The Company is concerned about prevailing exposure norms, financial position, entry of new players in the market, rising competition from banks & multilateral agencies, uncertain business environment, fluctuation in rupee, likely increase in cost of capital due to volatile market conditions. Further, the state of business and policy environment in the country also has a cascading effect on the interest-rate regime, cost and availability of raw materials and gestation period & capital outlays required for raw material.

6. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company maintains an adequate system of Internal Controls including suitable monitoring procedures to ensure accurate and timely financial reporting of various transactions, efficiency of operations and compliance with statutory laws, regulations and Company policies. Suitable delegation of powers and guidelines for accounting have been issued for uniform compliance. In order to ensure that adequate checks and balances are in place and internal control systems are in order, regular and exhaustive Internal Audit of Office/plant are conducted by the in-house Internal Audit Division and external professional audit firm. The Internal Audit covers all major areas of operations, including identified critical/risk areas, as per the Annual Internal Audit Programme. The Audit Committee of Directors periodically reviews the significant findings of different Audits, as prescribed in the Companies Act, 2013 and in the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

7. FINANCIAL AND OPERATIONAL PERFORMANCE

Revenue from the operations of your Company for the year 2022-23 was Rs.456.80 Lakhs which is 69.88% more than Rs.137.60 Lakhs in the previous year. Profit before Depreciation Interest & Tax for the current year was Rs. 22.57

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Lakhs against Rs. 15.75 Lakhs in the previous year. Profit after tax for the current year at Rs. 21.15 Lakhs was increased by 50.26% over Rs. 10.52 Lakhs in the previous year. Detailed report on operations of and structure of Business of the Company has been included in Management Discussion and Analysis Report, which forms part of this Annual Report.

8. HUMAN RESOURCES / INDUSTRIAL RELATIONS

The Company gives utmost importance to the capacity-building and well-being of its employees. The Industrial Relations in the Company continued to be on a cordial note. There are regular interactions between the management and the representative-associations on issues pertaining to employee welfare. The Company has an atmosphere of trust and cooperation, which results in a motivated work force and consistent growth in the performance.

9. ANALYSIS OF SIGNIFICANT CHANGES IN FINANCIAL RATIOS

As per the recent amendments to the SEBI Listing Obligations & Disclosure Requirements (LODR), we give below additional information in respect of financial parameters that are applicable to our company:

Detail of Significant changes (i.e. change of 25% of more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanation therefore as under:

- a) **Debtor Turnover Ratio:** The Debtor Turnover ratio as on March 31, 2023 is 4.33 times as compared to 3.07 times in the previous year.
- b) **Inventory Turnover Ratio:** The Inventory Turnover Ratio as on March 31, 2023 is 5.26 times as compared to 7.65 times in the previous year.
- c) **Interest Coverage Ratio:** The Interest Coverage Ratio as on March 31, 2023 is 3.88 times as compared to 0.00 times in the previous year.
- d) **Current Ratio:** The Current Ratio as on March 31, 2023 is 9.21 times as compared to 4.21 times in the previous year.
- e) **Debt Equity Ratio:** The Debt Equity Ratio as on March 31, 2023 is 0.29 times as compared to 0.00 times in the previous year.
- f) **Operating Profit Margin:** The Operating Profit Margin Ratio as on March 31, 2023 is 4.94% as compared to 11.45% in the previous year.
- g) **Net Profit Margin:** The Net Profit Margin Ratio as on March 31, 2023 is 4.63 % as compared to 7.65% times in the previous year.

Cautionary Note

Certain statements in “Management Discussion and Analysis” section may be forward looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Management envisages in terms of future performance and outlook.

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ANNEXURE B

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
SHASHWAT FURNISHING SOLUTIONS LIMITED
121, Mahaveer Nagar, Jain Colony
Jodhpur, Rajasthan-342001

In pursuance of sub clause (i) of Clause 10 of Part C of Schedule V of The Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirement) regulations, 2015; (LODR) in respect of SHASHWAT FURNISHING SOLUTIONS LIMITED (CIN: U20299RJ2021PLC073899) I hereby certify that:

On the basis of the written representation/declaration received from the directors and taken on record by Board of directors, as on March 31, 2023, none of the directors on the board of the company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/ Ministry of Corporate Affairs or any statutory authority.

Place: Jaipur
Date: 22-08-2023

For MSV & Associates
Practicing Company Secretaries
FRN: P2018RJ071900
Peer Review Certificate No.: 1924/2022

Name of Company Secretary: CS Vivek Sharma
Partner
FCS No. 10663|CP. No. 14773
UDIN: F010663E000844683

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ANNEXURE-V

Declaration in respect of compliance with the code of Conduct

It is hereby declared that all Board Members, Key Managerial Personnel and Senior Management Personnel of the company have affirmed Compliance with the Code of Conduct of the Company, for the financial year ended March 31, 2023.

Sd/-

Hitesh Karnawat
Chairman & Managing Director
DIN – 09097273

Date: September 04, 2023
Place: Jodhpur, Rajasthan

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STANDALONE FINANCIAL STATEMENT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

**TO THE MEMBERS OF
SHASHWAT FURNISHING SOLUTIONS LIMITED**

OPINION

We have audited the accompanying Financial Statements of **Shashwat Furnishing Solutions Limited** (“the Company”), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss for the year ended on March 31, 2023, the Statement Cash flow statement for the year ended & and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under Section 133 of the Act & other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its Profit/(loss) and its cash flows for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements of the current period. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

S.No.	Key Audit Matter
1.	<p>Assessment of Trade Receivables: The company has trade receivables amounting to Rs. 121.44 Lakhs (i.e. 20.97% of total assets) at the Balance Sheet Date March 31, 2023.</p> <p>The increasing challenges over the economy and operating environment in the Trading & manufacturing industry during the year have increased the risks of default on receivables from the company’s customers. In particular, in the event of insolvency of customers, the company is exposed to potential risk of financial</p>

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<p>loss when the customers fail to meet their contractual obligations in accordance with the requirements of the agreements.</p> <p>Based on historical default rates and overall credit worthiness of customers, management believes that no impairment allowance is required in respect of outstanding trade receivables as on March 31, 2023.</p> <p>For the purpose of impairment assessment, significant judgements and assumptions, including the credit risks of customers, the timing and amount of realisation of these receivables, are required for the identification of impairment events and the determination of the impairment charge.</p>
<p>Auditor Response to key Audit Matter:</p>
<p>Principal Audit Procedures: We have performed the following procedures in relation to the recoverability of trade receivables:</p> <ul style="list-style-type: none">• Tested the accuracy of aging of trade receivables at year end on a sample basis;• Obtained a list of outstanding receivables and assessed the recoverability of the unsettled receivables on a sample basis through our evaluation of management’s assessment with reference to the credit profile of the customers, historical payment pattern of customers, publicly available information and latest correspondence with customers• Tested subsequent settlement of trade receivables after the balance sheet date on sample basis.
<p>Conclusion: We found the key judgement and assumptions used by management in the recoverability assessment of trade receivables to be supportable based on the available evidence.</p>

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR’S REPORT THEREON.

The company’s board is responsible for the preparation of the other information. The other information comprises the information included Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report but does not include the Financial Statements and our Auditor’s report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information 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.

MANAGEMENT’S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these Financial Statements to give a true and fair view of the financial position, financial performance, & cash flows of the Company in accordance with accounting standard & 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

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estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors are responsible for overseeing the company's financial reporting process.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF FINANCIAL STATEMENTS

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

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

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

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

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss & 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, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the adequacy of internal financial control over financial reporting of the company & the operating effectiveness of such controls, refer to our separate report in Annexure "A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- h) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanation given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - (ii) The Company has made provision, as at March 31, 2023 as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - (iii) The Company is not liable to transfer any amounts, to the Investor Education and Protection Fund during the year ended March 31, 2023.
 - (iv) a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (v) The company has not declared & paid any dividend during the year.
 - (vi) Provision to Rule 3(1) of the companies (Accounts) Rule, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the company with effect from April 01, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit & Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For A Y & Company
Chartered Accountants
FRN : 020829C

Priyanka Gianchandani

SHASHWAT FURNISHING SOLUTIONS LIMITED
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Partner

M.NO. : 445912

UDIN : 23445912BGXQZP3366

Place : Jodhpur

Date : 30.05.2023

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ANNEXURE “A” TO THE AUDITOR’S REPORT

**Report on the Internal Financial Control under clause (i) of sub section 3 of Section 143 of companies Act , 2013
(‘The Act’)**

We have audited the internal financial control over financial reporting of Shashwat Furnishing Solutions Limited (‘the company’) as of 31st March, 2023 in conjunction with our audit of the financial statement of the company for the year ended on that date.

Management Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For A Y & Company
Chartered Accountants
FRN : 020829C

Priyanka Gianchandani
Partner
M.NO. : 445912
UDIN : 23445912BGXQZP3366
Place : Jodhpur
Date : 30.05.2023

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ANNEXURE “B” TO THE AUDITOR’S REPORT

Referred to in Paragraph 2 Under “Report on Other Legal and Regulatory Requirements” of Our Report to the member of Shashwat Furnishing Solutions Limited of Even Date

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- 1) In respect of the Company’s Property, Plant and Equipment and Intangible Assets:
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The title deeds of immovable properties are held in the name of the company.
 - (d) The company has not revalued its Property, Plant & Equipment (including Right of use assets) or intangible assets during the year
 - (e) No proceeding have been initiated or are pending against the company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 2)
 - (a) The inventories, except goods-in-transit and stocks lying with third parties, have been physically verified by the management during the year. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories.
 - b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- 3) In our opinion the investments made by the company are prima facie, not prejudicial to the interest of the company. Further the company has not, provided any guarantee or security, granted any loans or advances in the nature of loans , secured or unsecured to companies, firms, LLP or other parties covered in register maintained under section 189 of the companies act 2013. Hence the question of reporting such loans are not prejudicial to the company’s interest or whether the receipt of the principal amount and interest are regular and

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whether reasonable steps for recovery of overdues of such loan are taken, does not arise.

- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods & Service Tax, Duty of Customs, Cess and any other statutory dues with the appropriate authorities and no statutory dues were outstanding as at 31st March, 2023 for a period of more than six months from the date they became payable except as followings:
 - b) According to the information and explanation given to us, there are no dues of income tax, Goods & service tax & duty of customs outstanding on account of any dispute.
- 8) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- 9)
 - a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
 - b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
 - d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
 - e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
 - f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- 10)
 - a) The Company has raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and the same has been applied for the purpose for which money was raised
 - b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

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- 11) a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) No report under sub section (12) of section 143 of the companies act has been filed in Form ADT-4 as prescribed under rule 13 of companies (Audit and Auditors) Rules, 2014 with the central Government during the year and upto the date of this report..
- c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- 12) The Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14) a) In our opinion the company has an internal audit system commensurate with the size and nature of its business.
- b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- 15) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- 16) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- 17) The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- 18) During the year under review, there has been no resignation of statutory auditors during the year.
- 19) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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- 20) There are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- 21) The reporting under Clause (xxi) of the Order is not applicable in respect of audit of financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For A Y & Company
Chartered Accountants
FRN : 020829C

Priyanka Gianchandani
Partner
M.NO. : 445912
UDIN :
Place : Jodhpur
Date : 30.05.2023

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BALANCE SHEET AS AT 31ST MARCH, 2023

Particular	Notes	31 March 2023 (Amount in Lakhs)	31 March 2022 (Amount in Lakhs)
I. Equity and Liabilities			
Shareholders Fund			
Share Capital	2.1	208.80	153.00
Reserves & Surplus	2.2	204.97	28.52
		413.77	181.52
Share Application Money Pending Allotment		-	-
Non-current liabilities			
Long Term Borrowings	2.3	106.60	-
Deferred tax liabilities (Net)		-	-
Other Long Term Liabilities			
		106.60	-
Current liabilities			
Short Term Borrowings	2.4	14.25	0.86
Trade payables			
(a) total outstanding dues of micro and small enterprises	2.5	-	-
(b) total outstanding dues other than micro and small enterprises	2.5	19.93	37.30
Other current liabilities	2.6	22.61	11.74
Short term Provisions	2.7	1.83	3.79
		58.63	53.69
Total	-	579.00	235.21
II. Assets			
Non-current assets			
Fixed assets			
Property, Plant & Equipments	2.8	10.79	3.07
Intangible Assets		-	-
Capital WIP	2.8	-	-
Long Term Loans & Advances		-	-
Non-Current Investments		-	-
Other Non-Current Assets	2.9	19.51	5.81
Deferred Tax Assets (Net)	2.10	8.45	0.26
		38.76	9.14
Current Assets			
Investments		-	-
Inventories	2.11	137.77	35.99
Trade Receivables	2.12	121.44	89.50
Cash & Bank Balances	2.13	55.35	38.14
Short Term loans & advances	2.14	213.65	52.63
Other current Assets	2.15	12.04	9.80
		540.24	226.07
Total		579.00	235.21

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STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31 MARCH, 2023

Particular	Notes	31 March 2023 (Amount in Lakhs)	31 March 2022 (Amount in Lakhs)
Income			
Revenue from Operations	2.16	456.80	137.60
Other Income	2.17	1.18	-
Total Income (I)		457.98	137.60
Expenses			
Cost of Material Consumed	2.18	348.21	103.57
Purchase of Stock in Trade			-
Change in inventories of Finished Goods, WIP & Stock in Trade	2.19	(17.92)	(17.11)
Employee benefit expenses	2.20	43.72	19.91
Finance Cost	2.21	4.62	-
Depreciation & Amortization Expense	2.22	2.59	1.70
Other Expenses	2.23	61.40	15.47
Total Expenses (II)		442.62	123.54
Profit/(loss) Before Prior period, exceptional and extraordinary items and tax (I) - (II)		15.36	14.05
Prior period items (Net)		-	-
Profit/(Loss) before tax		15.36	14.05
Tax Expenses			
Current Tax		1.83	3.79
Deferred Tax Charge		(8.20)	(0.26)
Earlier Year Taxes		0.57	-
Total Tax Expense		(5.79)	3.53
Profit/(loss) after tax		21.15	10.52
Earnings/(loss) Per Share			
Basic (Nominal value of shares Rs.10 (PY: Rs.NIL))	2.24	1.04	0.71
Diluted (Nominal value of shares Rs.10 (PY: Rs.NIL))	2.24	1.04	0.71

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CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

Cash flow statement as at	31 March 2023 (Amount in Lakhs)	31 March 2022 (Amount in Lakhs)
Cash flow from operating activities		
Net Profit before tax and extraordinary items	15.36	14.06
Non-Cash adjustment to reconcile profit before tax to net cash flows		
Depreciation	2.59	1.70
Operating profit before Working Capital changes	17.95	15.75
Change in Working Capital	(303.45)	(138.89)
Increase/(Decrease) in Trade Payables	(17.37)	37.30
Increase/(Decrease) in Other current Liabilities	10.87	11.74
Decrease/(Increase) in Inventories	(101.77)	(35.99)
Decrease/(Increase) in Trade receivables	(31.93)	(89.50)
Decrease/(Increase) in Short Term Loans & Advances	(161.02)	(52.63)
Decrease/(Increase) in Other Current Assets	(2.24)	(9.80)
Cash generated from operations	(285.50)	(123)
Income Tax(Paid)/ Refund	(4.37)	-
Net Cash flow from / (used in) Operating activities (A)	(289.87)	(123)
Cash Flow from/(used in) Investing Activities		
Purchase of Fixed Assets	(10.31)	(4.77)
Increase in Long Term Loans & Advances	-	-
Increase in Other Non-Current Assets	(13.70)	(5.81)
Net Cash (used in) investing activities (B)	(24.01)	(10.58)
Cash Flow from/ (used in) Financing Activities		
Proceeds from Issue of Share Capital	55.80	17.00
(Decrease)/Increase in Long Term Borrowings	106.60	
(Decrease)/Increase in Short term Borrowings	13.40	0.86
Proceeds from Security Premium	155.30	153.00
Net Cash flow from / (used in) financing activities (C)	331.10	170.86
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	17.22	37.14
Cash and Cash Equivalents at the beginning of the year	38.14	1.00
Cash and Cash Equivalents at the end of the year	55.36	38.14

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SUMMARY SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

A. COMPANY INFORMATION

Our Company was originally incorporated on March 08, 2021 as “Shashwat Furnishing Solutions Private Limited” vide Registration No. 073899/2020-21 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Central Registration Centre. Subsequently, our Company has acquired the entire business with the assets and liabilities of M/s Handicrafts Village, sole proprietorship concern of one of our Promoters Mr. Hitesh Karnawat vide Business Transfer Agreement dated June 01, 2021. Further, our Company was converted into Public Limited Company and consequently name of company was changed from “Shashwat Furnishing Solutions Private Limited” to “Shashwat Furnishing Solutions Limited” vide Special resolution passed by the Shareholders at the Extra-Ordinary General Meeting held on August 12, 2021. and a fresh certificate of incorporation dated August 27, 2021 issued by the Registrar of Companies, Jaipur. The Corporate Identity Number of our Company is U20299RJ2021PLC073899.

SIGNIFICANT ACCOUNTING POLICIES

1. Accounting Convention

The financial statement are prepared under the historical cost convention on the “Accrual Concept” and Going Concern assumption of accountancy in accordance with the accounting principles generally accepted in India and comply with the accounting standards as prescribed by Companies (Accounting Standard) Rules, 2006 and with the relevant provisions of the Companies Act, 2013 and rules made there under.

2. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities on the date of the financial statement and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which results are known/materialized.

3. Property, Plant and Equipments

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises of all expenses incurred to bring the assets to its present location and condition. Borrowing cost directly attributable to the acquisition /construction are included in the cost of fixed assets. Adjustments arising from exchange rate variations attributable to the fixed assets are capitalized.

In case of new projects / expansion of existing projects, expenditure incurred during construction / preoperative period including interest and finance charge on specific / general purpose loans, prior to commencement of commercial production are capitalized. The same are allocated to the respective t on completion of construction / erection of the capital project / fixed assets.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future economic benefits from the existing asset beyond its previously assessed standard of performance.

Capital assets (including expenditure incurred during the construction period) under erection / installation are stated in the Balance Sheet as “Capital Work in Progress.”

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4. Impairment of Assets

At each balance sheet date, the Company reviews the carrying amount of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the assets and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the assets.

5. Depreciation

All fixed assets, except capital work in progress, are depreciated on WDV Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to / deletions from fixed assets made during the period is provided on pro-rata basis from / up to the date of such addition / deletion as the case may be. Further the Land and Building held in the books of the company are treated as Investment Property so that the Depreciation is not provided on them.

6. Investments

Investments are classified into current investments and non-current investments. Current investments i.e. investments that are readily realizable and intended to be held for not more than a year valued at cost. Any permanent reduction in the carrying amount or any reversals of such, reductions are charged or credited to the Statement of Profit & loss Account.

Non-current investments are stated at cost. Provision for diminution in the value of these investments is made only if such decline is other than temporary, in the opinion of the management.

7. Inventories

Inventories consist of Finished Goods & Stock in trade are valued at Cost or Net Realizable Value, whichever is lower.

8. Revenue Recognition

Revenue from the operations is recognized on generally accepted accounting principal and when it is earned and no significant uncertainty exists as to its ultimate collection and includes taxes, wherever applicable.

The capital gain on sale of investments if any are recognized on completion of transaction. No notional profit/loss are recognized on such investments.

Interest income is recognized on time proportion basis, when it is accrued and due for payment.

9. Borrowing Cost

Borrowing cost that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying assets is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

10. Employee Benefits

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

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Post -employment and other long term employee benefits are recognized as an expense in the profit & loss account for the year in which the liabilities are crystallized.

11. Taxes on Income

Income tax expenses for the year comprises of current tax and deferred tax. Current tax provision is determined on the basis of taxable income computed as per the provisions of the Income Tax Act. Deferred tax is recognized for all timing differences that are capable of reversal in one or more subsequent periods subject to conditions of prudence and by applying tax rates that have been substantively enacted by the balance sheet date.

12. Foreign Currency Translation

- a) Transaction denominated in foreign currencies are recorded at the exchange rate prevailing at the date of the transaction, Monetary assets and liabilities denominated in foreign currencies at the year end are restated at closing rate.
- b) Any exchange difference on account of settlement of foreign currency transaction and restatement of monetary assets and liabilities denominated in foreign currency is recognized in the statement of Profit & loss Account.

13. Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

14. Trade Payable Ageing Summary

31.03.2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
MSME	--	--	--	--	--
Others	19.93	--	--	--	19.93
Disputed dues - MSME	--	--	--	--	--
Disputed dues - Others	--	--	--	--	--

31.03.2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
MSME	--	--	--	--	--
Others	37.30	--	--	--	37.30
Disputed dues - MSME	--	--	--	--	--
Disputed dues - Others	--	--	--	--	--

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15. Trade Receivable Ageing Summary

31.03.2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) Undisputed Trade receivables-considered good	100.34	6.11	14.98	--		121.44
(ii) Undisputed Trade Receivables- Considered Doubtful	--	--	--	--		--
(iii) Disputed Trade Receivables considered good	--	--	--	--		--
(iv) Disputed Trade Receivables considered doubtful	--	--	--	--		--

31.03.2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 yrs.	2-3 yrs.	More than 3 yrs.	
(i) Undisputed Trade receivables-considered good	89.50	-	--	--		89.50
(ii) Undisputed Trade Receivables- Considered Doubtful	--	--	--	--		--
(iii) Disputed Trade Receivables considered good	--	--	--	--		--
(iv) Disputed Trade Receivables considered doubtful	--	--	--	--		--

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Various Accounting Ratios:

S. No.	Particular	Numerator	Denominator	Ratio		Movement in %	Reason for Movement if movement is more than 25%
				31.03.2023	31.03.2022		
(a)	Current Ratio	Current Assets	Current Liabilities	9.22	4.21	-118.85	The Working Capital has been improved due to increase in inventories
(b)	Debt-Equity Ratio	Total Debt	Shareholders Equity	0.29	0.00	-6091.74	this ratio is increased due to fresh loan availed by the company.
(c)	Debt Service Coverage Ratio	Net Operating Income	Total Debt Service	-0.18	-18.40	99.03	This Ratios is increased due to increase in operating Income.
(d)	Return on Equity Ratio	Profit After Tax	Average Shareholders Equity	7.11	11.53	-38.38	This Ratio is decreased due to increase in shareholder equity
(e)	Trade Receivables turnover ratio (in times)	Revenue	Average Trade Receivable	4.33	3.07	40.86	This Ratio is increased due to increase in average trade receivable
(f)	Trade payables turnover ratio (in times)	Purchase of Services & other Expenses	Average Trade Payables	15.10	6.57	129.95	This Ratio is increased since Credit Period Received by Creditors are reduced.
(g)	Net capital turnover ratio (in times)	Revenue	Net Working Capital	0.95	0.80	18.83	Reason for Movement if movement is more than 25%
(h)	Net profit ratio	Net Profit	Revenue	4.63	7.65	-39.46	This Ratio is decreased due to lower profits during the year.

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(i)	Return on Capital employed	Operating Profit	Total Capital Employed	0.05	0.09	40.44	This Ratio is increased due to increased profit during the year
(k)	Inventory Turnover Ratio	Revenue	Average Inventory	5.26	7.65	-31.23	This ratio is decreased due to increase in average inventory

Other Disclosures:

Sr. No.	Particulars	Note in financial statements
(i)	Title deeds of Immovable Property not held in the name of the Company:	The Company do not have any Immovable property which is not held in the name of Company.
(ii)	Loans or advances to specified persons	The Company has not provided any Loan or Advances to specified persons.
(iii)	Details of Benami Property held	The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
(iv)	Borrowings secured against current assets	The Company has availed facilities from banks on the basis of security of current assets.
(v)	Wilful Defaulter	The Company is not declared Wilful Defaulter by any Bank or any Financial Institution.
(vi)	Relationship with Struck off Companies	The Company do not have any transactions with struck-off companies.
(vii)	Undisclosed income	The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
(x)	Details of Crypto Currency or Virtual Currency	The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

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I. EQUITY & LIABILITIES

SHAREHOLDERS'S FUND

NOTE 2.1: SHARE CAPITAL

2.1. Share Capital	31 March 2023 (Amount in Lakhs)	31 March 2022 (Amount in Lakhs)
<u>Authorised Shares</u> 50,00,000 Equity Shares of Rs. 10 Each (Previous Year 10,000 Equity Shares of Rs. 10 Each)	500.00	500.00
<u>Issued Shares</u> 20,88,000 Equity Shares of Rs. 10 Each (Previous Year 15,30,000 Equity Shares of Rs. 10 Each)	208.80	153.00
<u>Subscribed & Paid up Shares</u> 20,88,000 Equity Shares of Rs. 10 Each (Previous Year 15,30,000 Equity Shares of Rs. 10 Each)	208.80	153.00
Total Issued, Subscribed and Fully Paid-up Share Capital	208.80	153.00

A. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Equity Shares	31.03.2023		31.03.2022	
	Number	Issued Capital (Rs.)	Number	Issued Capital (Rs.)
Shares outstanding at the beginning of the year	1,530,000	153.00	10,000	1
Shares Issued during the year	558,000	55.80	1,520,000	152.00
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	2,088,000	208.80	1,530,000	153.00

B. Shares in the company held by each shareholder holding more than 5 % shares specifying the number of shares held

Particulars	31.03.2023		31.03.2022	
	Number	% of Holding	Number	% of Holding
Hitesh Karnawat	1,372,750	65.74%	1,372,750	65.74%
Lalit Ghevarchand Karnawat	72,250	3.46%	72,250	3.46%
Mayuri Karnawat	85,000	4.07%	85,000	4.07%

C. Shares held by holding/ultimate holding company and/or their subsidiaries/associates

There is no Holding Company of Shashwat Furnishing Solutions Limited

D. Shares with rights preferences and restrictions attaching to each class including restriction on distribution of dividend and repayment of capital.

Equity shares

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The company has only one class of Equity having a par value Rs. 10.00 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

E. Shareholding of Promoters

Shares Held by Promoters at the end of year	31.03.2023			31.03.2022		
	No. of Shares	% of Shares	% Change during the year	No. of Shares	% of Shares	% Change during the year
Hitesh Karnawat	1,372,750	65.74%	-	1,372,750	65.72%	100%

NOTE 2.2: RESERVES & SURPLUS

2.2. Reserves & Surplus	31 March 2023 (Amount in Lakhs)	31 March 2022 (Amount in Lakhs)
A. Security Premium		
Opening balance	18.00	-
Add: Additions during the Period	195.30	153.00
Less: Utilized for Issue Expenses	40.00	
Less: Utilized for Issue of Bonus Share	-	135.00
	173.30	18.00
B. Surplus		
Opening balance	10.52	-
(+) Net Profit/(Net Loss) For the current year	21.15	10.52
	31.67	10.52
Closing Balance	204.97	28.52

NOTE 2.3 LONG TERM BORROWINGS

2.3. Long Term Borrowings	31 March 2023 (Amount in Lakhs)	31 March 2022 (Amount in Lakhs)
Secured		
Bank of Baorda	106.60	-
Total	106.60	-

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CURRENT LIABILITIES

NOTE 2.4. SHORT TERM BORROWINGS

2.4. Short Term Borrowings	31 March 2023 (Amount in Lakhs)	31 March 2022 (Amount in Lakhs)
Current Maturities of Long Term Debt	13.40	
Unsecured		
Hitesh Karnawat	0.86	0.86
Total	14.25	0.86

NOTE 2.5. TRADE PAYABLES

2.5. Trade Payables	31 March 2023 (Amount in Lakhs)	31 March 2022 (Amount in Lakhs)
Trade Payables		
Micro, Small & Medium Enterprises	-	-
Other than Micro, Small & Medium Enterprises	19.93	37.30
Total	19.93	37.30

2.5.1 Disclosure in respect of amount due to Micro, Small & Medium Enterprises:

The management has initiated the process of identifying enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31st March 2023 has been made in the financials statements based on information received and available with the Company as on date of financials. The Company has not received any claim for interest from any supplier under the said Act.

NOTE 2.6. OTHER CURRENT LIABILITIES

2.6. Other Current Liabilities	31 March 2023 (Amount in Lakhs)	31 March 2022 (Amount in Lakhs)
Statutory Dues Payable	0.63	0.24
Expenses Payable	0.75	-
Advance from Customers	21.23	11.29
Director Remuneration Payable	-	0.20
Total	22.61	11.74

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2.7. SHORT TERM PROVISIONS

2.7. Short Term Provisions	31 March 2023 (Amount in Lakhs)	31 March 2022 (Amount in Lakhs)
Provision for Income Tax Current Year	1.83	3.79
Total	1.83	3.79

II. ASSETS

NON CURRENT ASSETS

NOTE 2.8. PROPERTY, PLANT & EQUIPMENTS

2.8. Property, Plant & Equipments	Gross Block				Accumulated Depreciation				Net Block	
Particulars	Bala nce as at 01st Apr 2022	Additi ons	Deletion/ Sale	Bala nce as at 31 Marc h, 2023	Bala nce as at 01st Apr 2022	Deprecia tion charge for the period	Deleti on- Sale/L oss	Bala nce as at 31 Marc h, 2023	Bala nce as at 01st Apr 2022	Bala nce as at 31 Marc h, 2023
	(Amount in Lakhs)									
A. Property Plant & Equipment										
Building	1.22	-	-	1.22	0.11	0.12	-	0.24	1.11	0.98
Air Conditioner	0.22	1.51	-	1.73	0.08	0.45	-	0.53	0.14	1.20
Compressor	0.51	-	-	0.51	0.10	0.09	-	0.19	0.41	0.32
Mobile	1.46	0.88	-	2.34	0.65	0.50	-	1.15	0.81	1.18
Plant & Machinery	-	7.92	-	7.92	-	1.14	-	1.14	-	6.79
Furniture & Fixtures	0.43	-	-	0.43	0.13	0.10	-	0.22	0.31	0.21
Computer	0.30	-	-	0.30	0.23	0.05	-	0.28	0.06	0.01
Camera	0.12	-	-	0.12	0.08	0.03	-	0.11	0.04	0.02
Cooler	0.12	-	-	0.12	0.10	0.02	-	0.12	0.02	0.00
LED TV	0.37	-	-	0.37	0.19	0.09	-	0.28	0.17	0.08
UPS	0.02	-	-	0.02	0.01	0.00	-	0.02	0.00	0.00
Grand Total	4.77	10.31	-	15.08	1.70	2.59	-	4.28	3.07	10.79

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NOTE 2.9. OTHER NON CURRENT ASSETS

2.9. Other Non-Current Assets	31 March, 2023 (Amount in Lakhs)	31 March, 2022 (Amount in Lakhs)
Security Deposits	19.51	5.81
Total	19.51	5.81

NOTE 2.10. DEFERRED TAX ASSETS/(LIABILITIES)

2.10. Deferred Tax Assets/(Liabilities)	31 March, 2023 (Amount in Lakhs)	31 March, 2022 (Amount in Lakhs)
Balance at the Begening of the year	0.26	-
Addition During the year	8.20	0.26
Closing Balance at the End of the year	8.45	0.26

CURRENT ASSETS

NOTE 2.11. INVENTORIES

2.11. Inventories	31 March, 2023 (Amount in Lakhs)	31 March, 2022 (Amount in Lakhs)
Closing Stock of Raw Material	102.74	18.89
Closing Stock of Finished Goods	35.03	17.11
Total	137.77	35.99

NOTE 2.12. TRADE RECEIVABLES

2.12. Trade Receivables	31 March, 2023 (Amount in Lakhs)	31 March, 2022 (Amount in Lakhs)
Unsecured, Considered good		
Debts outstanding other than Related Parties for a period:		
Outstanding for a period more than six months	21.10	-
Outstanding for a period less than six months	100.34	89.50
Total	121.44	89.50

NOTE 2.13. CASH AND BANK BALANCES

2.13. Cash and Bank Balances	31 March, 2023 (Amount in Lakhs)	31 March, 2022 (Amount in Lakhs)
Cash & Cash Equivalent		
Balance with Banks in current Accounts	32.20	14.89

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Cheques in Hand	-	-
Cash on hand	23.15	23.25
Total	55.35	38.14

NOTE 2.14. SHORT TERM LOANS & ADVANCES

2.14. Short Term Loans & Advances	31 March, 2023 (Amount in Lakhs)	31 March, 2022 (Amount in Lakhs)
Advance to Suppliers/Vendors	213.65	52.63
Total	213.65	52.63

NOTE 2.15. OTHER CURRENT ASSETS

2.15. Other Current Assets	31 March, 2023 (Amount in Lakhs)	31 March, 2022 (Amount in Lakhs)
Prepaid IPO Expenses	-	9.42
Balance With Revenue Authorities	12.04	0.38
Total	12.04	9.80

NOTE 2.16. REVENUE FROM OPERATIONS

2.16. Revenue From Operations	31 March, 2023 (Amount in Lakhs)	31 March, 2022 (Amount in Lakhs)
Sale of Goods		
Export Sales	50.80	-
Domestic Sales	406.00	137.60
Total	456.80	137.60

NOTE 2.17. OTHER INCOME

2.17. Other Income	31 March, 2023 (Amount in Lakhs)	31 March, 2022 (Amount in Lakhs)
Drawback Income	0.64	
Forex Gain	0.41	
Freight & Cartage Income	0.13	
Total	1.18	-

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NOTE 2.18. COST OF MATERIAL CONSUMED

2.18. Cost of Material Consumed	31 March, 2023 (Amount in Lakhs)	31 March, 2022 (Amount in Lakhs)
Opening Stock of Raw Material	18.89	-
Add: Purchases	432.07	122.45
Less: Closing Stock of Raw Material	102.74	18.89
Total	348.21	103.57

NOTE 2.19. CHANGE IN INVENTORY OF WIP, FINISHED GOODS & STOCK IN TRADE

2.19. Change in Inventory of WIP, Finished Goods & Stock in Trade	31 March, 2023 (Amount in Lakhs)	31 March, 2022 (Amount in Lakhs)
Opening Stock of WIP, Finished goods	17.11	-
Closing Stock of WIP, Finished goods	35.03	17.11
Net Change in Inventory of WIP, Finished goods & Stock in Trade	(17.92)	(17.11)

NOTE 2.20. EMPLOYEE BENEFIT EXPENSES

2.20. Employee Benefit Expenses	31 March, 2023 (Amount in Lakhs)	31 March, 2022 (Amount in Lakhs)
Salary & Wages Expenses	15.76	3.11
Staff Welfare Expenses	-	0.29
Director Remuneration	27.96	16.51
Total	43.72	19.91

NOTE 2.21. FINANCE COST

2.21. Finance Cost	31 March, 2023 (Amount in Lakhs)	31 March, 2022 (Amount in Lakhs)
Interest on Term loan	0.14	
Loan Processing Fees	4.48	
Total	4.62	-

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NOTE 2.22. DEPRECIATION & AMORTIZATION

2.22. Depreciation & Amortization	31 March, 2023 (Amount in Lakhs)	31 March, 2022 (Amount in Lakhs)
Depreciation Expenses	2.59	1.70
Total	2.59	1.70

NOTE 2.23. OTHER EXPENSES

2.23. Other Expenses	31 March, 2023 (Amount in Lakhs)	31 March, 2022 (Amount in Lakhs)
Freight	3.36	0.97
Job Work Expenses	34.85	2.74
Loading Charges	0.05	0.52
Bank Charges	0.15	0.00
Discount	0.33	0.03
Electrical Expenses	6.15	1.86
Advertisement Expenses	2.69	-
Audit Fees	0.25	-
Interst on TDS	0.54	0.02
GST Late Fees and Interest	0.00	0.00
Listing Fees Expenses	0.80	
Internet Expenses	-	0.02
Membership Fees	-	0.11
Office Expenses	0.63	0.55
Petrol Expenses	-	0.45
Printing & Stationary	0.07	0.17
Rent Expenses	2.44	3.93
Repair & Maintenance	0.75	0.29
Postage & Courier	0.27	-
Container & Shipping Expenses	1.74	-
Legal & Professional Consultancy Charges	4.08	2.04
Sales Promotion	-	0.22
Conveyance Expenses	1.08	0.23
Telephone Expenses	0.04	0.03
Tools & Consumables	-	0.56
Travelling Expenses	0.79	0.35
Water Expenses	0.34	0.33
Other Misc. Expenses	-	0.05
Total	61.40	15.47

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NOTE 2.24. EARNINGS PER SHARE

2.24. Earnings Per Share	31 March, 2023 (Amount in Lakhs)	31 March, 2022 (Amount in Lakhs)
Profit/(Loss) after tax as per Statement of Profit and Loss	21.15	11
Weighted average number of equity shares in calculating basic EPS	20.42	14.80
Basic {Nominal Value of Shares- Rs. 10/- (Previous Year- Rs. 10/-)}	1.04	0.71
Diluted {Nominal Value of Shares- Rs. 10/- (Previous Year- Rs. 10/-)}	1.04	0.71

NOTE 2.25 RELATED PARTY DISCLOSURES- AS-18

2.25 Related Party Disclosures- AS-18		
Relationship with Related party	Name of related parties	
Key Managerial Personnel	Hitesh Karnawat	
Key Managerial Personnel	Lalit Ghevarchand Karnawat	
Key Managerial Personnel	Mayuri Karnawat	
Key Managerial Personnel	Ratika Khandelwal	
Related to Key Managerial Personnel	Sushila Karnawat	
Transactions with Related Party:-		
Name of the Party	31 March 2023 (Amount in Lakhs)	
<u>Director Remuneration</u>		
Hitesh Karnawat	12.96	
Mayuri Karnawat	7.80	
Lalit Karnawat	7.20	
<u>Rent Expenses</u>		
Lalit Karnawat	0.84	
<u>Salary Expenses</u>		
Ratika Khandelwal	1.44	
<u>Unsecured Loans</u>		
<u>Hitesh Karnawat</u>		
Loan at the Beginning of Period	0.86	
Add: Amount Received during the Period	-	
Less: Amount Repaid During the Period	-	
Closing Balance	0.86	

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NOTE 2.26 OTHER DISCLOSURES

(a) **Remuneration to Directors**

Particulars	31 March 2023 (Amount in Lakhs)	31 March 2022 (Amount in Rs.)
Salary including Variable Pay	27.96	-
Total	27.96	-

- (b) As per the best estimate of the management, there is no capital commitment and contingent liability exists as on the date of the financial statement.
- (c) Disclosures required under mandatory accounting standards & Schedule III are given to the extent applicable and possible.
- (d) Additional information as required by para 5 of General Instructions for preparation of Statement of Profit and Loss (other than already disclosed above) are either Nil or Not Applicable.
- (e) Previous year figures are regrouped or rearranged wherever considered necessary.
- (f) Figures have been rounded off to the nearest Lakhs.

**As per our report of even date
For A Y & Company
Firm Registration No. 020829C
Chartered Accountants**

For and on behalf of the Board of Directors

Hitesh Karnawat Mayuri Karnawat
Managing Director Whole Time Director & CFO
DIN : 09097273 DIN : 09276591

CA Priyanka Gianchandani
Partner
Membership No. 445912
UDIN : 23445912BGXQZP3366
Place : Jodhpur
Date : 30.05.2023

ANNEXURE- VI

MD AND CFO CERTIFICATION

**To,
The Board of Directors
Shashwat Finishing Solutions Limited**

We, Managing Director and Chief Financial Officer of Shashwat Furnishing Solutions Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the Balance Sheet, Statement of Profit and Loss and Cash Flow of the Company and all the notes on accounts and the Board's report for the year ended March 31, 2023.
2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statement made, in light of the circumstances under which such statement was made, not misleading with respect to the period covered by this report.
3. The financial statements, and other financial information included in this report, present in all material respects a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as at, and for, the periods presented in this report, and with the existing accounting standards and/or applicable laws and regulations.
4. There are no transactions entered into by the company during the year that are fraudulent, illegal or violate the Company's Code of Conduct and Ethics, except as disclosed to the Company's audit committee of Board of Director's.
5. We are responsible for establishing and maintaining disclosure controls over financial reporting for the Company, and we have:
 - a. Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company is made known to us by others within those entities, particularly during the period in which this report is being prepared.
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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 (GAAP) in India.
 - c. Evaluated the effectiveness of the Company's disclosure, controls and procedures.
 - d. Disclosed in this report, changes, if any, in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected or is reasonably likely to materially affect, the Company's internal control over financial reporting.
6. We have displayed, based on our most recent evaluation of the Company's internal control over financial reporting, wherever applicable, to the Company's auditors and the audit committee of the Company's Board (and persons performing the equivalent functions):
 - a. Any deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and have confirmed that there have been no material

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weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.

- b. Any significant changes in internal controls during the year covered by this report.
 - c. All significant changes in internal controls during the year covered by this report.
 - d. Any Instances of significant fraud of which we are aware, that involve the management or other employees who have a significant role in the Company's internal control system.
7. We affirm that we have not denied any personnel access to the audit committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistle-blowers from unfair termination and other unfair or prejudicial employment practices.
8. We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

Sd/-

Hitesh Karnawat
Managing Director
DIN - 09097273

Sd/-

Mayuri Karnawat
Chief Financial Officer

Place : Jodhpur, Rajasthan
Date : September 04, 2023

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SHASHWAT FURNISHING SOLUTIONS LIMITED

Registered office: Plot No.120, 121, 122 Khasra No.277/1 Salawas Industrial Area, Jodhpur, Rajasthan- 342013.

CIN: U20299RJ2021PLC073899

E-mail: www.handicraftsvillage.com

Tel No.: ++91-9001269000

Attendance Slip 03rd Annual General Meeting

Please Fill Attendance Slip and hand it over at The Entrance of the Meeting Hall. Joint shareholders may obtain additional slip at the venue of the meeting.

Folio No.	
DP Id	
Client ID	
No. of shares	

I/We hereby record my presence at the 03rd Annual General Meeting of the Company at Plot No.120, 121, 122 Khasra No.277/1 Salawas Industrial Area, Jodhpur, Rajasthan- 342013, India on Thursday, September 28, 2023 at 11:00 A.M.

Name of the Shareholder		Signature of shareholder	
-------------------------	--	--------------------------	--

Notes:

1. Only Member/Proxy holder can attend the Meeting.
2. Please complete the Folio No./DP ID No., Client ID No. and name of the Member/Proxy holder, sign this Attendance Slip and hand it over, duly signed, at the entrance of the Meeting Hall.

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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: U20299RJ2021PLC073899

Name of the Company: SHASHWAT FURNISHING SOLUTIONS LIMITED

Registered Office: Plot No.120, 121, 122 Khasra No.277/1 Salawas Industrial Area, Jodhpur, Rajasthan- 342013, India

Name of the Member(s) :
Registered Address :
No. of Shares held:
Folio No.
Client ID:
DP ID:

I/We, being the member(s) of _____ shares of the above named company hereby appoint:

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

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 03rd Annual General Meeting of the company, to be held on the Thursday, September 28, 2023 at 11:00 A.M. at Plot No.120, 121, 122 Khasra No.277/1 Salawas Industrial Area, Jodhpur, Rajasthan- 342013, India and/or at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Particulars	Vote	
		For	Against
Ordinary Business			
1	To consider and adopt financial statements for the Financial Year ended March 31, 2023.		
2	To re-appoint Mrs. Mayuri Karnawat (DIN- 09276591) as Whole-Time Director of who retires by rotation and, being eligible, offers herself for re-appointment.		

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Signed this _____ day of _____ 2023

Signature of Shareholder _____ Signature of Proxy holder(s) _____

Notes:

1. A Proxy need not be a member of the Company.
2. This form of Proxy must be deposited at the Registered Office of the Company Plot No.120, 121, 122 Khasra No.277/1 Salawas Industrial Area, Jodhpur, Rajasthan- 342013, India, not less than 48 hours before the commencement of the Meeting.
3. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

ROUTE MAP TO AGM

