

ANNUAL REPORT 2018-19





Seasons Furnishings Limited 29th Annual Report – 2018-19

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Mr. Mandeep Singh Wadhwa

Managing Director

Mrs. Manjit Kaur Wadhwa

Director

Mr. Bishan Das Bhagat

Non-Executive, Independent Director

Ms. Poonam Mehdiratta

Non-Executive, Independent Director

Mr. Manjeet Singh

Non - Executive, Independent Director

AUDIT COMMITTEE

| | |
|-------------------------|----------|
| Mr. Manjeet Singh | Chairman |
| Mr. Bishan Das Bhagat | Member |
| Mrs. Manjit Kaur Wadhwa | Member |

STAKEHOLDERS RELATIONSHIP COMMITTEE

| | |
|--------------------------|----------|
| Mrs. Manjit Singh | Chairman |
| Mr. Mandeep Singh Wadhwa | Member |

NOMINATION & REMUNERATION COMMITTEE

| | |
|-----------------------|----------|
| Mr. Bishan Das Bhagat | Chairman |
| Mr. Manjeet Singh | Member |
| Ms. Poonam Mehdiratta | Member |

REGISTERED OFFICE/ DESIGN STUDIO

64, Ground Floor, Ring Road
Lajpat Nagar - III, New Delhi - 110 024,
Tel No. : 011-41582040, 011-47585543

CORPORATE OFFICE

A – 45, Sector-8,
Noida - 201301 (U.P)
Tel No. : 0120-4160126

CHIEF FINANCIAL OFFICER

Yogesh Kumar Sharma

Email ID : finance@seasonsfurnishings.com
Tel No. : 0120-4160126

REGISTRAR & SHARE TRANSFER AGENT

Skyline Financial Services Pvt. Ltd.
D-153A, First Floor,
Okhla Industrial Area, Phase - I,
New Delhi - 110020
Tel: 011 - 40450193, 94, 95, 96, 97
E-mail: admin@skylinerta.com

STATUTORY AUDITORS

Rakesh Varshney & Associates,
Chartered Accountants
New Delhi

INTERNAL AUDITORS

Ashok Kantoor & Co.
Chartered Accountants
New Delhi - 110005

BANKERS

IDBI Bank Ltd.

54 Ring Road,
Lajpat Nagar-III
New Delhi - 110024



SEASONS FURNISHINGS LIMITED
CIN: L36101DL1990PLC039238

Registered Office: 64, Ground Floor, Ring Road, Lajpat Nagar - III, New Delhi - 110 024
Email : cs@seasonsfurnishings.com, **Website:** www.seasonsfurnishings.com Phone No. 011-47585543, 011-41582040

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 29th Annual General Meeting of the Members of SEASONS FURNISHINGS LIMITED will be held at Royal Vatika, Main Bus Stand, Khera Khurd, Delhi - 110 082 on Monday, the 23rd day of September, 2019 at 10.30 A.M. to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2019, together with the Reports of the Board of Directors and the Auditor's thereon.

"RESOLVED THAT the audited financial statements of the Company for the financial year ended March 31, 2019, together with the reports of the Board of Directors and of the Auditors thereon be and are hereby received, considered and adopted."

2. To appoint a Director in place of Mrs. Manjit Kaur Wadhwa (DIN 00050971) who retires by rotation and being eligible, offers himself for re-appointment.

"RESOLVED THAT Mrs. Manjit Kaur Wadhwa (DIN No. 00050971) who retires by rotation and who is eligible for re- appointment be and is hereby re-appointed as Director of the Company"

SPECIAL BUSINESS :

3. Re-appointment of Mr. Mandeep Singh Wadhwa, as Chairman and Managing Director of the Company.

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

RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee, and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and further subject to the approval of Central Government, if required and, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Mandeep Singh Wadhwa, as Chairman and Managing Director of the Company, for a period of 3 years, with effect from 1st December, 2019 to 30th November, 2022 on the following terms:

1. Basic Salary : "2,50,000 – 25,000 – 3,00,000" per month
2. Perquisites
 - a) House Rent Allowance/Rent free unfurnished house accommodation up to a maximum of 50% of the salary per month.
 - b) Reimbursement of expenses incurred on Gas, Electricity and Water subject to a limit of 10% of Salary.
 - c) Reimbursement of Medical expenses – actual expenditure for self and family subject to a ceiling of one month's salary in a year or 3 months' salary over a period of 3 years.
 - d) Provision of Company's car, mobile phone and telephone at residence for use on Company's business but use of car for personal purposes and long distance personal calls on mobile phone/telephone will be charged.
 - e) Any other perquisites as may be decided by the Board and/or the Remuneration Committee.
3. Mr. Mandeep Singh Wadhwa shall also be eligible to the following perquisites which shall not be included in computation of the ceiling on remuneration specified above:
 - a) Company's contribution towards Provident Fund, Superannuation or Annuity Fund to be made as per rules of the Company but to the extent these are not taxable under the Income Tax Act, 1961.
 - b) Gratuity payable as per the provisions of the Gratuity Act, 1972.
 - c) Encashment of Leave at the end of the tenure.

RESOLVED FURTHER THAT in the event of inadequacy or absence of profits in any year, Mr. Mandeep Singh Wadhwa will be entitled to get the minimum remuneration as specified in Schedule V to the Companies Act, 2013;

RESOLVED FURTHER THAT the Board of Directors and/or the Nomination and Remuneration Committee of the Board be and is hereby authorized to alter or vary from time to time the terms and conditions of the said appointment, in such manner as they may deem fit in the best interest of the Company, so as not to exceed the limits in that behalf contained in Schedule V to Companies Act, 2013, including any statutory modification/re-enactment thereof hereinafter."

4. Re-appointment of Mrs. Manjit Kaur Wadhwa (DIN 00050971), as Whole Time Director of the Company.

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

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the approval of Central Government or other Government authority/agency/board, if any, the consent of the shareholders of the Company be and is hereby accorded to appoint Mrs. Manjit Kaur Wadhwa, as Whole Time Director of the Company for a period of three years with effect from 1st October, 2016 subject to retirement by rotation on the following terms :

1. Basic Salary : 1,20,000 – 25,000 – 1,70,000 per month
2. Perquisites
 - (a) House Rent Allowance/Rent free unfurnished house accommodation up to a maximum of 50% of the salary per month.
 - (b) Reimbursement of expenses incurred on Gas, Electricity and Water subject to a limit of 10% of Salary.
 - (c) Reimbursement of Medical expenses – actual expenditure for self and family subject to a ceiling of one month's salary in a year or 3 months' salary over a period of 3 years.
 - (d) Provision of Company's car, mobile phone and telephone at residence for use on Company's business but use of car for personal purposes and long distance personal calls on mobile phone/telephone will be charged.



- (e) Any other prerequisites as may be decided by the Board and/or the Remuneration Committee.
3. Mrs. Manjit Kaur Wadhwa shall also be eligible to the following prerequisites which shall not be included in computation of the ceiling on remuneration specified above:
- Company's contribution towards Provident Fund, Superannuation or Annuity Fund to be made as per rules of the Company but to the extent these are not taxable under the Income Tax Act, 1961.
 - Gratuity payable as per the provisions of the Gratuity Act, 1972.
 - Encashment of Leave at the end of the tenure.

FURTHER RESOLVED THAT the consent of the shareholders of the Company be and is hereby also accorded that where in any financial year the Company has no profits or inadequate profits then Mrs. Manjit Kaur Wadhwa will be entitled to get the minimum remuneration as specified in Schedule V to the Companies Act, 2013;

FURTHER RESOLVED THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution and to seek such approval/ consent from the government departments, as may be required in this regard.

FURTHER RESOLVED THAT the Board of Directors of the Company or any committee thereof be and is hereby also authorized to amend, alter, modify or otherwise vary the terms and conditions of appointment in such manner as they may deem fit in the best interest of the Company, so as not to exceed the limits in that behalf contained in Schedule V to the Companies Act, 2013, including any statutory modification/re-enactment thereof hereinafter."

**By Order of the Board of Directors
For Seasons Furnishings Limited**

**(Mandeep Singh Wadhwa)
Managing Director**

**Place: New Delhi
Date: 13.08.2019**

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013, IN RESPECT OF SPECIAL BUSINESS FOR THE 29TH ANNUAL GENERAL MEETING TO BE HELD ON 23RD SEPTEMBER, 2019 :

Resolution no 4:

Mr. Mandeep Singh Wadhwa is retiring as Managing Director on 30th November, 2019 in terms of the special resolution passed by the members of the company in its annual general meeting held on 30th September, 2016.

In terms of the provisions of the Companies Act, 2013, re-appointment of Mr. Mandeep Singh Wadhwa, as Managing Director requires approval of shareholders/members of the company, by way of special resolution.

Mr. Mandeep Singh Wadhwa, is commerce graduate from Delhi University. Mr. Mandeep Singh Wadhwa looks after the overall operations of the Company. He has enriched experience of more than 20 years in furnishing fabric and retail industry. Mr. Mandeep Singh Wadhwa had been appointed as Managing Director of the Company w.e.f. 1st December, 1997 by the shareholders at its Annual General Meeting held on 25th September, 1997.

Except Mr. Mandeep Singh Wadhwa, and Mrs. Manjit Kaur Wadhwa no other Director of the Company is concerned or interested in the said resolution.

INFORMATION IN TERMS OF SCHEDULE V TO THE COMPANIES ACT, 2013

| I. GENERAL INFORMATION | | | | |
|-------------------------------------|--|---|------------------------------|------------------------------|
| 1. | Nature of industry | Trading and retailing of Furnishing Fabrics. | | |
| 2. | Date or expected date of commencement of commercial production | 16th February, 1990 | | |
| 3. | In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. | Not Applicable | | |
| 4. | Financial performance based on given indicators | (in Rupees) | | |
| | | Particulars | Year ended 31.03.2019 | Year ended 31.03.2018 |
| | | Total Income | 6,79,39,782 | 6,07,09,416 |
| | | Earnings Before Interest Depreciation and Tax (EBIDTA) | 38,18,190 | (16,40,123) |
| | | Profit before tax | 1,51,028 | (1,26,59,847) |
| | | Profit after Tax | 1,24,633 | (1,27,10,508) |
| 5. | Export performance and net foreign exchange collaborations | (In lacs) | | |
| | | Exports | NIL | NIL |
| | | Net Foreign Exchange Earnings | (97.11) | (55.57) |
| 6. | Foreign investments or collaborators, if any. | No Foreign Collaboration or Investment | | |
| II. INFORMATION ABOUT THE APPOINTEE | | | | |
| 1. | Background details | Mr. Mandeep Singh Wadhwa, a graduate in Commerce from Delhi University. He is the Managing Director of the Company. He has enriched experience of more than 20 years in furnishing fabric and retail industry. Mr. Mandeep Singh Wadhwa had been appointed as Managing Director of the Company w.e.f. 1st December, 1997 by the shareholders at its Annual General Meeting held on 25th September, 1997 | | |

| | | |
|-------------|---|---|
| 2. | Past remuneration | Salary: 2,50,000 – 25,000 – 3,00,000 per month. House Rent Allowance/Rent free unfurnished house accommodation up to a maximum of 50% of the salary per month. Reimbursement of expenses incurred on Gas, Electricity and Water subject to a limit of 10% of Salary. Reimbursement of Medical expenses – actual expenditure for self and family subject to a ceiling of one month's salary in a year or 3 months' salary over a period of 3 years. Provision of Company's car, mobile phone and telephone at residence for use on Company's business but use of car for personal purposes and long distance personal calls on mobile phone/telephone will be charged. Contribution towards Provident Fund, Superannuation or Annuity Fund to be made as per rules of the Company Gratuity payable at a rate not exceeding half a month's salary for each completed year of service. Encashment of Leave at the end of the tenure. |
| 3. | Recognition or awards | N.A. |
| 4. | Job profile and his suitability | Mr. Mandeep Singh Wadhwa possesses rich experience in Marketing, Finance, Production, Management and Administration. He is actively taking part in the management of the day to day business of the Company looking after the marketing department and expansion of the business through participating various fairs and exhibitions and meeting new clients. |
| 5. | Remuneration proposed | As provided in resolution above |
| 6. | Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) | Taking into consideration the size of the business, the profile of Mr. Mandeep Singh Wadhwa, Managing Director of the Company, the responsibilities handling by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level incumbents, in other companies. |
| 7. | Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any. | Besides drawing remuneration for holding position as Managing Director of the Company and holding equity shares in the Company, he has no other pecuniary relationship with the Company. He is a relative of Mrs. Manjit Kaur Wadhwa, Additional Director of the Company. |
| III. | OTHER INFORMATION | |
| 1. | Reasons of loss or inadequate profits | 1. Low turnover which is the result of slow demand in the market, 2. High Inventory carrying cost, and 3. Old Pattern/ Designed Stocks which were not in demand were sold in bulk at a marginal profit Which resulted in fall in profit in the last Financial Year. |
| 2. | Steps taken or proposed to be taken for improvement | Optimal utilization of the resources available with the Company, by using advanced design & marketing strategy. Company is being constantly making efforts to improve its position in the furnishing fabric industry. |
| 3. | Expected increase in productivity and profits in measurable terms. | With the steps and strategy as mentioned above, the Company will be able to improve its turnover and profit. |
| IV. | DISCLOSURES : | |
| 1. | The shareholders of the company shall be informed of the remuneration package of the managerial person. | Details given in the Corporate Governance section of this Report |
| 2. | The following disclosures shall be mentioned in the Board of directors' report under the heading "Corporate Governance", if any, attached to the annual report :- i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc. of all the directors; ii) Details of fixed component and performance linked incentives along with the performance criteria; iii) Service contracts, notice period, severance fees; iv) Stock option details if any | Details given in the Corporate Governance section of this Report N.A. |

Resolution no 5

Mrs. Manjit Kaur Wadhwa (DIN : 00050971), was appointed as Whole Time Director for a period of three years w.e.f 1st October, 2016. She has done Fashion Designing from South Delhi Polytechnic. She is associated with the Company since inception and in the year 2011 she was designated as a Vice President (Retail) and helps in developing and designing of different furnishings fabrics in coordination with manufacturers and the buyers.

INFORMATION IN TERMS OF SCHEDULE V TO THE COMPANIES ACT, 2013

| | | |
|-----------|--|--|
| I. | GENERAL INFORMATION | |
| 1. | Nature of industry | Trading and retailing of Furnishing Fabrics. |
| 2. | Date or expected date of commencement of commercial production | 16th February, 1990 |
| 3. | In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. | Not Applicable |

| | | | | |
|--|---|---|------------------------------|------------------------------|
| 4. | Financial performance based on given indicators | (in Rupees) | | |
| | | Particulars | Year ended 31.03.2019 | Year ended 31.03.2018 |
| | | Total Income | 6,79,39,782 | 6,07,09,416 |
| | | Earnings Before Interest Depreciation and Tax (EBIDTA) | 38,18,190 | (16,40,123) |
| | | Profit before tax | 1,51,028 | (1,26,59,847) |
| | Profit after Tax | 1,24,633 | (1,27,10,508) | |
| 5. | Export performance and net foreign exchange collaborations | (In lacs) | | |
| | | Exports | NIL | NIL |
| | | Net Foreign Exchange Earnings | (97.11) | (55.57) |
| 6. | Foreign investments or collaborators, if any. | No Foreign Collaboration or Investment | | |
| II. INFORMATION ABOUT THE APPOINTEE | | | | |
| 1. | Background details | Mrs. Manjit Kaur Wadhwa (DIN : 00050971), was appointed as Whole Time Director for a period of three years w.e.f 1st October, 2016. She has done Fashion Designing from South Delhi Polytechnic. She is associated with the Company since inception and in the year 2011 she was designated as a Vice President (Retail) and helps in developing and designing of different furnishings fabrics in coordination with manufacturers and the buyers. | | |
| 2. | Past remuneration | Salary: 1,20,000 – 25,000 – 1,70,000 per month. House Rent Allowance/Rent free unfurnished house accommodation up to a maximum of 50% of the salary per month. Reimbursement of expenses incurred on Gas, Electricity and Water subject to a limit of 10% of Salary. Reimbursement of Medical expenses – actual expenditure for self and family subject to a ceiling of one month's salary in a year or 3 months' salary over a period of 3 years. Provision of Company's car, mobile phone and telephone at residence for use on Company's business but use of car for personal purposes and long distance personal calls on mobile phone/telephone will be charged. Contribution towards Provident Fund, Superannuation or Annuity Fund to be made as per rules of the Company Gratuity payable at a rate not exceeding half a month's salary for each completed year of service. Encashment of Leave at the end of the tenure. | | |
| 3. | Recognition or awards | N.A. | | |
| 4. | Job profile and his suitability | Mrs. Manjit Kaur Wadhwa possesses rich experience in Marketing, Production, Management and Administration. He is actively taking part in the management of the day to day business of the Company looking after the marketing department and expansion of the business through participating various fairs and exhibitions and meeting new clients. | | |
| 5. | Remuneration proposed | As provided in resolution above | | |
| 6. | Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) | Taking into consideration the size of the business, the profile of Mrs. Manjit Kaur Wadhwa, Director of the Company, the responsibilities handling by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level incumbents, in other companies. | | |
| 7. | Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any. | Besides drawing remuneration for holding position as Managing Director of the Company and holding equity shares in the Company, he has no other pecuniary relationship with the Company. She is a relative of Mr. Mandeep Singh Wadhwa, Managing Director of the Company. | | |
| III. OTHER INFORMATION | | | | |
| 1. | Reasons of loss or inadequate profits | 1. Low turnover which is the result of slow demand in the market, 2. High Inventory carrying cost, and 3. Old Pattern/ Designed Stocks which were not in demand were sold in bulk at a marginal profit Which resulted in fall in profit in the last Financial Year. | | |
| 2. | Steps taken or proposed to be taken for improvement | Optimal utilization of the resources available with the Company, by using advanced design & marketing strategy, Company is being constantly making efforts to improve its position in the furnishing fabric industry. | | |
| 3. | Expected increase in productivity and profits in measurable terms. | With the steps and strategy as mentioned above, the Company will be able to improve its turnover and profit. | | |
| IV. DISCLOSURES : | | | | |
| 1. | The shareholders of the company shall be informed of the remuneration package of the managerial person. | Details given in the Corporate Governance section of this Report | | |
| 2. | The following disclosures shall be mentioned in the Board of directors' report under the heading "Corporate Governance", if any, attached to the annual report :- i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc. of all the directors; ii) Details of fixed component and performance linked incentives along with the performance criteria; iii) Service contracts, notice period, severance fees; iv) Stock option details if any | Details given in the Corporate Governance section of this Report Details given in the Corporate Governance section of this Report N.A. N.A. | | |



**Details of Directors seeking Appointment / Re-appointment/Revision – Variation in remuneration at the Annual General Meeting
(Pursuant to Regulation 36 of SEBI (LODR) Regulations, 2015) & Secretarial Standard-2**

| S. No. | Particulars | Mr. Mandeep Singh Wadhwa | Mrs. Manjit Kaur Wadhwa |
|--------|--|---|--|
| 1 | DIN | 00007029 | 00050971 |
| 2 | Date of Birth/Age | 24.01.1970 | 04.12.1976 |
| 3 | Qualification | Commerce Graduate from Delhi University | Fashion Designing from South Delhi Polytechnic |
| 4 | Experience | Over 22 years of Experience | Over 10 years of Experience |
| 5 | Expertise in specific areas | Marketing, Finance, Production, Management and Administration | Marketing, Production, Management and Administration |
| 6 | Directorship in other Companies | Seasons Lifestyle Private Limited | Seasons Lifestyle Private Limited |
| 7 | Committee Memberships in other Companies | ----- | ----- |
| 8 | Term and condition of appointment | As per the resolution | As per the resolution |

Notes: Only Audit Committee, Nomination & Remuneration Committee & Stakeholder Relationship Committee are considered for the purpose of Committee positions as per listing agreement.

NOTES :

- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself /herself and such proxy need not be a member of the Company. Proxies in order to be effective must be lodged at the registered office of the Company not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
- The Register of Members and Share Transfer Register of the Company will remain closed from 16th September, 2019 to 23rd September, 2019 (both days inclusive).
- A Member desirous of getting any information on the accounts or operations of the Company, is requested to forward his / her queries to the Company at least seven working days prior to the meeting, so that the required information can be made available at the meeting.
- Members holding shares in physical form, are requested to notify immediately any change in their address and Bank particulars to the Company or its Share Transfer Agents. In case the shares are held in dematerialized form, this information should be furnished directly, without any delay, to their respective Depository Participants.
- In all correspondence with the Company, Members are requested to quote their folio number and in case their shares are held in the dematerialized form, they must quote their DP ID and Client ID Number.
- Members are requested to bring their copies of the Annual Report in the meeting and the Attendance Slip, duly filled-in and signed as per the specimen signature recorded with the Company / Depository Participant for attending the meeting. Members, who hold shares in dematerialized Form, are requested to write their Client ID and DP ID Nos., and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
- In compliance with the provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, Annual Report of the Company for the Financial Year 2018-19 has been sent via Electronic Mode (e-mail) to the Members whose e-mail addresses was made available to us by the Depository Participants. We request the Members to register/ update their e-mail address with their Depository Participant, in case they have not already registered/ updated the same. Members who are holding shares in physical form are requested to get their e-mail address registered with the Registrar and Share Transfer Agent of the Company. Those who are holding shares in demat form may register their email address to their respective Depository Participants. Those holding shares in physical form may register their email address with Registrar & Share Transfer Agent Skyline Financial Services Private Limited or to the Company Secretary at cs.stl@seasonsworld.com or corporate office of the Company.
- Notice is being sent to all the members of the Company whose names appear in the Register of Members / Record of Depositories as on Friday, 23rd August, 2019 ("Cut-off date" or "Record date"). Voting rights shall be reckoned on the paid up value of the shares registered in the name of the members of the Company as on Cut-off date / Record date i.e Friday, 23rd August, 2019.
- Voting through electronic means** In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, the Company is pleased to provide members facility to exercise their right to vote at the meeting by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Service Limited (CDSL).

The instructions for shareholders voting electronically are as under:

- The voting period begins on September 20, 2019 (10.00 A.M.) and ends on September 22, 2019 (5.00 P.M.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 13, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- The shareholders should log on to the e-voting website www.evotingindia.com.
- Click on Shareholders.
- Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- If you are a first time user follow the steps given below:

| | For Members holding shares in Demat Form and Physical Form |
|-----|--|
| PAN | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |

| | |
|---|---|
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. |
| | <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id/ folio number in the Dividend Bank details field as mentioned in instruction (iv). |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for SEASONS FURNISHINGS LIMITED on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store apple and window phoneusers can download the app from App store and the window phone store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance
 - User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their Report on the business and operations of the Company along with the audited financial statements for the year ended March 31, 2018.

1. FINANCIAL RESULTS:

(Rs. in Lakhs)

| S. No. | Particulars | Financial Year Ended 31st March, 2019 | Financial Year Ended 31st March, 2018 |
|--------|---|---------------------------------------|---------------------------------------|
| I | Revenue from Operations | 679.33 | 606.43 |
| II | Other income | 0.7 | 0.66 |
| III | Total Revenue Income (I+II) | 679.40 | 607.09 |
| IV | Total Expenses | 677.89 | 733.69 |
| V | Profit/(Loss) before tax (III – IV) | 1.51 | (126.60) |
| VI | Total Tax expense | 0.26 | 0.51 |
| VI | Profit/(Loss) for the year | 1.25 | (127.11) |
| VII | Other comprehensive income | 0.00 | 0.00 |
| VIII | Total comprehensive Income for the year | 1.25 | (127.11) |
| IX | Earnings per share | 0.02 | (1.72) |

REVIEW OF OPERATIONS: The gross revenue of the company during the year stands at Rs. 679.40 Lacs as against Rs. 607.09 Lacs in the previous year. The Profit before tax during the year stands at Rs. 1.51 Lacs as against loss of Rs. (126.60) Lacs during the previous year. The profit after tax during the year is Rs. 1.25 Lacs as against Rs (127.11) Lacs in the previous year. The lower profitability of the Company during the financial year was, inter alia, due to the low turnover which is the result of slow demand in the market and high Inventory carrying costs.

Company is coming up with new plans, designs & strategies for greater consumer acceptance of the company's products & increased profitability in the near future. No material changes have occurred since the date of the Balance sheet and this report, which has any adverse effect on the working of the Company.

SHARE CAPITAL: The paid up equity capital as on March 31, 2019 was Rs.739.39 Lakhs. During the year under review the company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

DIVIDEND: There is no profits of the Company, hence your director have not recommended any dividend for the year.



FIXED DEPOSITS: The Company has not accepted any public deposits during Fiscal 2019.

LISTING PARTICULARS: Equity shares of the Company are listed on Bombay Stock Exchange.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS: The Company has not given any loans or made any investments covered under the provisions of section 186 of the Companies Act, 2013.

INDUSTRIAL RELATIONS: During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

DIRECTORS AND KEY MANAGERIAL PERSONNEL: The Board of Directors consists of five members, of which three are Independent Directors. The Board also comprise of one Woman Whole Time Director and one women Independent Director.

Mr. Mandeep Singh Wadhwa, Chairman Managing Director, and Mr. Yogesh Kumar Sharma, Chief Financial Officer are the Key Managerial Persons (KMPs) of the Company as per the provisions of the Act.

All the directors of the Company have confirmed that they are not disqualified from being appointed as director in terms of Section 164 of the Companies Act, 2013.

Board Evaluation: The board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations").

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

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

The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

DIRECTOR'S RESPONSIBILITY STATEMENT: In compliance with the accounting and financial reporting requirements under section 134 (3) (c) and 134 (5) of the Companies Act 2013, in respect of financial statements, your directors state and confirm that:

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

MEETINGS: During the year four Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director etc. is provided in Corporate Governance Report.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO: The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed herewith as "**Annexure A**".

PARTICULARS OF EMPLOYEES: The Information as per Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report as "**Annexure B**".

Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 : NIL

STATUTORY AUDITORS: The present Auditors of the Company Rakesh Varshney & Associates, Chartered Accountants, New Delhi were appointed as Statutory Auditors for a period of 5 year(s) at the 27th Annual General Meeting (AGM) held on 29th September, 2017 to hold the office till the conclusion of 32nd Annual General Meeting (AGM) to be held in 2022.

In pursuant to Companies Amendment Act, 2017, enforced on 7th May, 2018 by Ministry of Corporate Affairs, the appointment of statutory auditor is not required to be ratified at every annual general meeting.

STATUTORY AUDITORS REPORT: The report of the Statutory Auditors along with notes to Schedules is enclosed to this report. The observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

The Auditor's Report does not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDIT: Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed M/s *Sachin Mavi & Associates*, a firm of Company Secretaries in practice to undertake the Secretarial Audit of the Company.

SECRETARIAL AUDITOR'S REPORT: As required under section 204 (1) of the Companies Act, 2013 the Company has obtained a Secretarial Audit Report for the Financial Year 2018-19. The Secretarial Audit Report is annexed herewith as "**Annexure C**". There are no qualifications or observations or other remarks of the Secretarial Auditors in the Report issued by them for the financial year 2018-19 which call for any explanation from the Board of Directors.

ANNUAL RETURN: The extracts of Annual Return pursuant to the provisions of Section 92 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in form MGT - 9 in "**Annexure D**" of this Report.

SIGNIFICANT OR MATERIAL ORDERS: There were no significant and material orders passed by the regulators or courts or tribunals, which would impact the going concern status and the Company's operations in future.

MATERIAL CHANGES: There were no material changes and commitments affecting the financial position of the Company between the end of financial year and the date of the Report.



NOMINATION AND REMUNERATION POLICY: The Board has adopted, on recommendation of the Nomination & Remuneration Committee, a policy for selection and appointment of Directors, Senior Management and their remuneration. A brief detail of the policy is given in the Corporate Governance Report and also posted on the website of the Company www.seasons furnishings.com

SUBSIDIARY COMPANIES: The Company does not have any subsidiary.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY: Internal Audit plays a key role in providing an assurance to the Board of Directors with respect to the Company having adequate Internal Control Systems. The Internal Control Systems provide, among other things, reasonable assurance of recording the transactions of its operations in all material respects and of providing protection against significant misuse or loss of Company's assets. The details about the adequacy of Internal Financial Controls are provided in the Management Discussion and Analysis Report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY: As per Sec. 177(9) of the Companies Act, 2013, applicable Rules and the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, the company has established a vigil mechanism (whistle blower policy) for their directors and employees to report their genuine concerns. The vigil mechanism provide for adequate safeguards against victimisation of persons who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in accordance with the Companies Act, 2013, applicable rules and SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015.

CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION ANALYSIS: Your Company follows principles of effective Corporate Governance. The endeavour of your Company is not only to comply with regulatory requirements but also to practice Corporate Governance principles that lay a strong emphasis on integrity transparency and overall accountability.

A separate Section on Management Discussion & Analysis and Corporate Governance is included in the Annual Report. A certificate from the Practicing Company Secretary of your Company regarding compliance with Corporate Governance norms stipulated in SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 is also annexed to the report on Corporate Governance.

RELATED PARTY TRANSACTIONS: All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus disclosure in form AOC-2 is not required. Further, there are no material related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee and Board for approval. The transactions entered into pursuant to the approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on quarterly basis.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website. None of the Directors has any pecuniary relationship on transactions vis-a-vis the Company.

ACKNOWLEDGEMENT: Your Directors would like to express their sincere appreciation for the assistance and continued co-operation received from the Banks, Government Authorities, Customers and Shareholders. Your Directors also wish to take on record their deep sense of appreciation for the committed & untiring services of the employees at all levels which has contributed to the smooth running of company's business & operations.

By Order of the Board of Directors
For Seasons Furnishings Limited

Place: New Delhi
Date: 13.08.2019

(Mandeep Singh Wadhwa)
Managing Director

ANNEXURE 'A' FORMING PART OF DIRECTORS REPORT

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

a. **Conservation of energy:-** Since the company is not undertaking any manufacturing activity this information is not applicable to your Company. Still it endeavours to save the energy wherever possible at all level of operation.

b. **Technology Absorption:-**

| | | |
|---|--|--|
| 1 | Specific areas in which R&D carried out by the Company: | Innovative fabrics designs and new products development. |
| 2 | Benefits derived as a result of the above R&D. | Increase in acceptability of new designs. |
| 3 | Future Plan of action. | Continue to introduce latest fabrics designs and patterns based on domestic and international market feedback. |
| 4 | Expenditure on R&D | NIL |
| a | Capital | NIL |
| b | Recurring | NIL |
| c | Total | NIL |
| Technology absorption, adaptation and innovation : | | |
| 1 | Efforts in brief, made towards technology absorption, adaptation and innovation. | NIL |
| 2 | Benefits derived like product improvement, cost reduction, product development, import substitution, | NIL |
| 3 | In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year.) | N.A. |

c. **Foreign Exchange Earnings and Outgo:-** The foreign exchange earning/outgo during the year are as under:

| Particulars | As on 31.03.2019 (Rs in lakhs) | As on 31.03.2018 (Rs. In lakhs) |
|-----------------------------------|--------------------------------|---------------------------------|
| Foreign Exchange Earnings: | NIL | NIL |
| Foreign Exchange Outgo: | 97.11 | 55.57 |

ANNEXURE 'B' FORMING PART OF DIRECTORS REPORT:

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

| S. No. | Requirements | Disclosure |
|--------|---|---|
| 1. | The ratio of remuneration of each Director to median remuneration of employees for the financial year | Mr. Mandeep Singh Wadhwa : 11.90 X Mrs. Manjit Kaur Wadhwa : 9.54 X |
| 2. | The Percentage increase in remuneration of each director, CFO, CS in the financial year | There is no increase in the salary of Mrs. Manjit Kaur Wadhwa, Mr. Mandeep Singh Wadhwa and CFO of the Company during the financial year 2018-19. |
| 3. | The Percentage increase in the median remuneration of employees in the financial year | The median remuneration of the employees in financial year 2018-19 was increased by 32.93%. |
| 4. | The numbers of permanent employees on the rolls of Company | 37 as on March 31, 2019 |
| 5. | The explanation on the relationship between average increase in remuneration and company performance | The increase in remuneration is linked to the performance of the Company as a whole, the concerned division, the employees and other factors like industry trends and economic environment. |
| 6. | Comparison of the remuneration of the key Managerial Person against the performance of the Company | As per the Company's policy of rewarding the employees, including Key Managerial Personnel, the increase in remuneration and variable pay is based on an individual performance rating and business unit performance and the bench mark study is also factored. Considering the performance of the KMPs in the year, they were appropriately compensated. |
| 7. | Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current FY and previous FY and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer. | The market capitalization as on March 31, 2019, was Rs. 1.84 crore and Rs. 5.99 crore as on March 31, 2018. Price Earnings ratio of the Company was 124.5 times as at March 31, 2019 and was -4.71 times as on March 31, 2018. The company came out with the public issue in the year 1994 and thereafter no public offer made. |
| 8. | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration; | The average percentile increase in the remuneration of employees compared to increase in remuneration of Key Managerial Personnel is in line with bench mark study and the performance of the Company over a period of time. There is no exceptional increase in the Managerial Remuneration. |
| 9. | Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company | Remuneration of Key Managerial Personnel is in line with the bench mark study and performance of the Company. |
| 10. | The key parameters for any variable component of remuneration availed by the directors | N.A. |
| 11. | The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year | Nil |
| 12. | Affirmation that the remuneration is as per the remuneration policy of the Company | We confirm. |



**ANNEXURE "C" FORMING PART OF DIRECTORS REPORT
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019**

(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,
SEASONS FURNISHINGS LIMITED
(CIN: L36101DL1990PLC039238)
64, Ground Floor, Ring Road Lajpat Nagar – III,
New Delhi 110024

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices of Seasons Furnishings Limited ("The Company") for the year ended 31st March, 2019. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, minute books, forms and returns filed and other records maintained by the Company and also the information and representations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2019, 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, minute books, forms and returns filed and other records made available to us and maintained by Company for the financial year ended on 31st March, 2019 according to the provisions of:

- (a) The Companies Act, 2013 (the Act) and the rules made there under.
- (b) The Securities Contracts (Regulations) Act, 1956 (SCRA) and the rules made there under;
- (c) The Depositories Act, 1996 and the regulations and bye-laws framed there under;
- (d) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of foreign direct investment, overseas direct investment and external commercial borrowing;
- (e) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (f) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (g) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (h) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (i) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (j) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (k) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
- (l) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

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

We further report that:

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

Adequate notices are 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 in compliance of the Act.

Decisions at the Board Meetings were taken unanimously and there is no dissent from directors during the audit period.

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.

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.

For SACHIN MAVI & ASSOCIATES

SACHIN MAVI
(Proprietor)
Membership No. ACS 46773 C.P. 18417
Place: Noida
Date: 13/08/2019

To,
The Members,
SEASONS FURNISHINGS LIMITED
(CIN: L36101DL1990PLC039238)
64, Ground Floor, Ring Road Lajpat Nagar - III
New Delhi 110024

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 process 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 process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For SACHIN MAVI & ASSOCIATES

SACHIN MAVI
(Proprietor)
Membership No. ACS 46773 C.P. 18417
Place: Noida
Date: 13/08/2019



ANNEXURE "D" FORMING PART OF DIRECTORS REPORT

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN As on financial year ended 31.03.2019

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

I. REGISTRATION & OTHER DETAILS:

| | |
|---|---|
| 1. CIN | L36101DL1990PLC039238 |
| 2. Registration Date | 16/02/1990 |
| 3. Name of the Company | SEASONS FURNISHINGS LIMITED |
| 4. Category/Sub-category of the Company | Company Limited by Shares / Indian Non-Government Company |
| 5. Address of the Registered office & contact details | 64, Ground Floor, Ring Road, Lajpat Nagar - III, New Delhi - 110 024 Email : cs@seasonsfurnishings.com, Website : www.seasonsfurnishings.com Phone No. 011-41582040, 011-47585543 |
| 6. Whether listed company | Yes |
| 7. Name, Address & contact details of the Registrar & Transfer Agent, if any. | Skyline Financial Services Pvt. Ltd. D – 153A, First Floor, Okhla Industrial Area, Phase - I, New Delhi – 110020 Tel: 011-40450193, E-mail: admin@skylinerta.com; Website: www.skylinerta.com |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10% or more of the total turnover of the company shall be stated)

| S. No. | Name and Description of main products/services | NIC Code of the Product/service | % to total turnover of the company |
|--------|--|---------------------------------|------------------------------------|
| 1 | Trading of furnishing fabrics | 475 | 100% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES : N.A.

| S. No. | Name and Address of the Company | CIN / GLN | Holding/Subsidiary/ Associates | % of Shares held | Applicable Section |
|--------|---------------------------------|-----------|--------------------------------|------------------|--------------------|
| N.A. | | | | | |

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

(A) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the end of the year [As on 31-March-2019] | | | | No. of Shares held at the beginning of the year [As on 31-March-2018] | | | | % Change during the year (approx.) |
|---|---|----------|----------------|-------------------|---|----------|----------------|-------------------|------------------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 4868729 | 0 | 4868729 | 65.85 | 4868729 | 0 | 4868729 | 65.85 | 0.00 |
| b) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| c) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| d) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| e) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| f) Any other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| Total shareholding of Promoter (A) | 4868729 | 0 | 4868729 | 65.85 | 4868729 | 0 | 4868729 | 65.85 | 0.00 |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| b) Banks / FI | 400 | 0 | 400 | 0.01 | 400 | 0 | 400 | 0.01 | 0.00 |
| c) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| d) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| f) Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| g) FIs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |

| | | | | | | | | | |
|---|----------------|---------------|----------------|---------------|----------------|---------------|----------------|---------------|-------------|
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| i) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| Sub-total (B)(1):- | 400 | 0 | 400 | 0.01 | 400 | 0 | 400 | 0.01 | 0.00 |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 279068 | 37200 | 316268 | 4.28 | 290576 | 37200 | 327776 | 4.43 | -0.15 |
| ii) Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| b) Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| i) Individual shareholders holding nominal share capital upto Rs. 2 lakh | 1322407 | 469309 | 1791716 | 24.23 | 1299792 | 487509 | 1787301 | 24.17 | 0.06 |
| ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh | 344603 | 0 | 344603 | 4.66 | 340577 | 0 | 340577 | 4.61 | 0.05 |
| c) Others (NBFC) | 3500 | 0 | 3500 | 0.05 | 1500 | 0 | 1500 | 3.19 | -3.14 |
| Non Resident Indians | 15332 | 7300 | 22632 | 0.31 | 15332 | 7300 | 22632 | 0.31 | 0 |
| Hindu Undivided Families | 46052 | 0 | 46052 | 0.62 | 44985 | 0 | 44985 | 0.61 | 0.01 |
| Foreign Nationals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| Clearing Members/ House | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| Trusts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| Foreign Bodies-D R | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| Sub-total (B)(2):- | 2010962 | 513809 | 2524771 | 34.15 | 1992762 | 532009 | 2524771 | 34.15 | 0.00 |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 2011362 | 513809 | 2525171 | 34.15 | 1993162 | 532009 | 2525171 | 34.15 | 0.00 |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00 |
| Grand Total (A+B+C) | 6880091 | 513809 | 7393900 | 100.00 | 1993162 | 532009 | 7393900 | 100.00 | 0.00 |

B) Shareholding of Promoter & Promoter Group –

| S No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding during the year |
|-------|----------------------------|---|----------------------------------|---|-------------------------------------|----------------------------------|---|--|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares | No. of Shares | % of total Shares of the Company | % of Shares Pledged/ encumbered to total shares | |
| 1 | Mandeep Singh Wadhwa | 3293629 | 44.55 | NIL | 3293629 | 44.55 | NIL | NIL |
| 2 | Manjit Kaur Wadhwa | 1487200 | 20.11 | NIL | 1487200 | 20.11 | NIL | NIL |
| 5 | Mandeep Singh Wadhwa (HUF) | 87,900 | 1.19 | NIL | 87,900 | 1.19 | NIL | NIL |

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

| S No. | Particulars | Cumulative Shareholding during the year | | | |
|-------|--|---|----------------------------------|---------------|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | 48,68,729 | 65.85 | 48,68,729 | 65.85 |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | NO CHANGE | | | |
| | At the end of the year | 48,68,729 | 65.85 | 48,68,729 | 65.85 |

D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs)

| Sr. No | Name of Shareholder | Shareholding As on 31/03/2018 | | Transaction Date | Increase / Decrease | Reason | Cumulative Shareholding Holding as on 31/03/2019 | |
|--------|-------------------------|-------------------------------|-----------------------|------------------|---------------------|--------|--|----------------------------------|
| | | No of Shares Held | % To the Total Shares | | | | | % of Total Shares of the Company |
| 1 | INDBANK MER BKG SER LTD | 129757 | 1.75 | 02-11-2018 | -200 | Sale | 129557 | 1.75 |
| | | | | 09-11-2018 | -510 | Sale | 129047 | 1.75 |

| | | | | | | | | |
|----|--|--------|------|------------|--------|----------|--------|------|
| | | | | 16-11-2018 | -769 | Sale | 128278 | 1.73 |
| | | | | | | Balance | 128278 | |
| 2 | MAHENDRA GIRDHARILAL | 236229 | 3.19 | 13-07-2018 | 100 | Purchase | 236329 | 3.20 |
| | | | | 20-07-2018 | 100 | Purchase | 236429 | 3.20 |
| | | | | 31-08-2018 | 100 | Purchase | 236529 | 3.20 |
| | | | | 07-09-2018 | 100 | Purchase | 236629 | 3.20 |
| | | | | 20-09-2018 | 200 | Purchase | 236829 | 3.20 |
| | | | | 02-11-2018 | 300 | Purchase | 237129 | 3.21 |
| | | | | 09-11-2018 | 11950 | Purchase | 249079 | 3.37 |
| | | | | 16-11-2018 | 2897 | Purchase | 251976 | 3.41 |
| | | | | 23-11-2018 | 34 | Purchase | 252010 | 3.41 |
| | | | | 30-11-2018 | 832 | Purchase | 252842 | 3.42 |
| | | | | 07-12-2018 | 200 | Purchase | 253042 | 3.42 |
| | | | | 21-12-2018 | 1250 | Purchase | 254292 | 3.44 |
| | | | | 28-12-2018 | 1936 | Purchase | 256228 | 3.47 |
| | | | | 11-01-2019 | 2250 | Purchase | 258478 | 3.50 |
| | | | | 18-01-2019 | 2000 | Purchase | 260478 | 3.52 |
| | | | | 25-01-2019 | 205 | Purchase | 260683 | 3.53 |
| | | | | 01-02-2019 | 1 | Purchase | 260684 | 3.53 |
| | | | | 01-03-2019 | 99 | Purchase | 260783 | 3.53 |
| | | | | 08-03-2019 | 81 | Purchase | 260864 | 3.53 |
| | | | | 15-03-2019 | 500 | Purchase | 261364 | 3.53 |
| | | | | 22-03-2019 | 1060 | Purchase | 262424 | 3.55 |
| | | | | | | Balance | 262424 | |
| 3 | ADVANCE BUSINESS CONS. LTD. | 76976 | 1.04 | | | | | |
| | | | | | | Balance | 76976 | |
| 4 | SUNIL SHYAM MIRPURI | 55429 | 0.75 | 06-07-2018 | -40386 | Sale | 15043 | 0.20 |
| | | | | 20-07-2018 | 40386 | Purchase | 55429 | 0.75 |
| | | | | 18-01-2019 | -40386 | Sale | 15043 | 0.20 |
| | | | | 22-02-2019 | 40386 | Purchase | 55429 | 0.75 |
| | | | | | | Balance | 55429 | |
| 5 | VIPUL JAYRAJ | 26750 | 0.36 | | | | | |
| | | | | | | Balance | 26750 | |
| 6 | NARESH KUMAR BATRA | 20000 | 0.27 | | | | | |
| | | | | | | Balance | 20000 | |
| 7 | Nikunj Shah Shares And Stock Brokers Limited | 31377 | 0.42 | 09-11-2018 | -8990 | Sale | 22387 | 0.30 |
| | | | | | | Balance | 22387 | |
| 8 | URVASHI THAKKAR | 20000 | 0.27 | | | | | |
| | | | | | | Balance | 20000 | |
| 9 | SAGARIKA INFRASTRUCTURE PRIVATE LIMITED | 14553 | 0.20 | 20-09-2018 | 8000 | Purchase | 22553 | 0.31 |
| | | | | | | Balance | 22553 | |
| 10 | JAYRAJ DEVIDAS | 20000 | 0.27 | | | | | |
| | | | | | | Balance | 20000 | |

E) Shareholding of Directors & KMP :

| S No. | Shareholding of each Directors and KMP | Shareholding at the beginning of the year | | Shareholding at the end of the year | |
|-------|---|---|----------------------------------|-------------------------------------|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1. | Mandeep Singh Wadhwa, (DIN 00007029) Managing Director | 32,93,629 | 44.55 | 32,93,629 | 44.55 |
| 2 | Manjit Kaur Wadhwa (DIN 00050971) Whole Time Director | 14,87,200 | 20.11 | 14,87,200 | 20.11 |
| 3 | Mr. Manjeet Singh (DIN : 08206912), Non-executive Independent Director | 0 | 0 | 0 | 0 |
| 4 | Mr. Bishen Dass Bhagat (DIN : 03604991) Non-executive Independent Director | 0 | 0 | 0 | 0 |
| 5 | Poonam Mehdiratta, (DIN : 01964772) Non-executive Independent Director | 0 | 0 | 0 | 0 |
| 6 | Yogesh Kumar Sharma, CFO | 0 | 0 | 0 | 0 |
| 7 | Kamal Kumar Gupta, CS | 0 | 0 | 0 | 0 |

V) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 35,125,603 | 1,671,524 | - | 36,797,127 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 35,125,603 | 1,671,524 | - | 36,797,127 |
| Change in Indebtedness during the financial year | - | - | - | - |
| * Addition | - | - | - | - |
| * Reduction | 35,125,603 | 1,671,524 | - | 36,797,127 |
| Net Change | (35,125,603) | (1,671,524) | - | (36,797,127) |
| Indebtedness at the end of the financial year | - | - | - | - |
| i) Principal Amount | - | - | - | - |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | - | - | - | - |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

| S. No. | Particulars of Remuneration | Managing Director | Whole Time Director | Total Amount |
|--------|---|--------------------------------------|-----------------------------------|------------------|
| | | Mandeep Singh Wadhwa, (DIN 00007029) | Manjit Kaur Wadhwa (DIN 00050971) | |
| 1 | Gross salary | | | |
| | (a) Salary as per provisions of section 17(1) of the Income-tax Act, 1961 | 29,70,000 | 23,76,000 | 53,46,000 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 39,600 | 39,600 | 79,200 |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | 0 | 0 | 0 |
| 2 | Stock Option | 0 | 0 | 0 |
| 3 | Sweat Equity | 0 | 0 | 0 |
| 4 | Commission- as % of profit- others, specify... | 0 | 0 | 0 |
| 5 | Others, please specify | 0 | 0 | 0 |
| | Total (A) | 30,09,600 | 24,15,600 | 54,25,200 |

B. Remuneration to other directors

| S. No. | Particulars of Remuneration | Name of Directors | | | Total Amount |
|----------|--|-------------------|-----------------------|-----------------------|-----------------|
| | | Mr. Manjeet Singh | Mr. Bishan Das Bhagat | Ms. Poonam Mehdiratta | |
| 1 | Independent Directors | | | | |
| | Fee for attending board committee meetings | 30,000 | 45,000 | 30,000 | 1,05,000 |
| | Commission | - | - | - | - |
| | Others, please specify | - | - | - | - |
| | Total (1) | 30,000 | 45,000 | 30,000 | 1,05,000 |
| 2 | Other Non-Executive Directors | | | | |
| | Fee for attending board committee meetings | | | | |
| | Commission | | | | |
| | Remuneration for Professional services | | | | |
| | Total (2) | | | | |
| | Total (B)=(1+2) | | | | |
| | Total Managerial Remuneration | | | | 1,05,000 |
| | Overall Ceiling as per the Act* | | | | |

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

| S. No. | Particulars of Remuneration | Key Managerial Personnel | |
|--------|---|--------------------------|-------------------|
| | | Chief Financial Officer | Company Secretary |
| 1 | Gross salary | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 3,67,620 | 2,70,000 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 0 | 0 |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | 0 | 0 |
| 2 | Stock Option | 0 | 0 |
| 3 | Sweat Equity | 0 | 0 |
| 4 | Commission | 0 | 0 |
| | - as % of profit | 0 | 0 |
| | others, specify... | 0 | 0 |
| 5 | Others, please specify | 0 | 0 |
| | Total | 3,67,620 | 2,70,000 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------|-------------------|---|------------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | NIL | NIL | NIL | NIL | NIL |
| Punishment | NIL | NIL | NIL | NIL | NIL |
| Compounding | NIL | NIL | NIL | NIL | NIL |
| B. DIRECTORS | | | | | |
| Penalty | NIL | NIL | NIL | NIL | NIL |
| Punishment | NIL | NIL | NIL | NIL | NIL |
| Compounding | NIL | NIL | NIL | NIL | NIL |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | NIL | NIL | NIL | NIL | NIL |
| Punishment | NIL | NIL | NIL | NIL | NIL |
| Compounding | NIL | NIL | NIL | NIL | NIL |



MANAGEMENT DISCUSSION & ANALYSIS

COMPANY OVERVIEW: Seasons Furnishings Limited (SFL) was incorporated on 16th February, 1990 and promoted by Late Shri Nanak Singh Wadhwa, Shri Inderjeet Singh Wadhwa, Shri Mandeep Singh Wadhwa. SFL is one of the pioneer companies in organized sector which market exclusively designed furnishing fabric, made-ups and life style products to institutional as well as retail customers. The Company not only sells products but sell a concept to sell its products. The Company is regularly participating in fairs and exhibitions to keep itself abreast with the latest trends and customers' taste as also to showcase its products. Besides, the Company has its own Design Studio, continuously engaged in creating new and innovative designs. The in-house Design Studio help the company to market its exclusively designed products. Every care is made to provide quality products, service and excellent ambience at all Seasons' outlets.

INDUSTRY STRUCTURE & DEVELOPMENTS: The Textile Industry in India is one of the largest segments of the Indian economy. It provides direct employment to many million people.

Indian home furnishings manufacturers and home furnishings exporters offers a spectacular range of bedspreads, furnishing fabrics, curtains, rugs, durries, carpets, cushion covers, table covers, linen, kitchen accessories, made-ups, bath linen, and other home furnishings accessories to the nation as well as to the world. Manufacturers of Home Furnishings from India, e.g. floor coverings, kitchen linen, bath linen, cushion covers, bed spreads, curtains, etc. create a rage in the international markets.

With the increasing textile industry in the country, the furnishing fabric market will also continue to flourish. The home furnishing market is anticipated to witness huge demand with the booming real-estate projects like hotels, hospitals, commercial and big residential apartments.

OPPORTUNITIES & THREATS

- Tremendous boom in retail as a result of change in consumption pattern and private incomes.
- More and more shifting of the customer towards branded products.
- Growing real-estate projects is expected to bring more demand in the market for furnishing fabric and related products;
- Increased disposable income, especially among the middle class along with the already existing high end customers will fuel the retail boom.
- Our priority categories of product range are expected to continue to witness healthy growth.

However, consumer demand could get impacted due to inflationary pressure as the products of our company form a part of discretionary spend basket. Fluctuation in the foreign exchange may further affect the prices for the products. There is always a cheap competition in the market from the unorganized sector in the same business.

OUTLOOK: India is one of the leading producers and exporters of home furnishings from bed, bath, kitchen linen to window dressing, carpets and rugs. The industry is witnessing all-round growth in the global scenario, which is coupled with gradual rise in demand in the housing and infrastructure. Changing life styles and people's acumen to opt for sophisticated standards are the key factors in its growth pattern too. These factors will help the Company to achieve its projected growth for the future. The Company's continued thrust in retail segment and to extend its reach to the untapped segments has helped in achieving its long term goals which will lead the Company to the consolidation phase later. The Company's expansion plans in the retail foray will greatly help the Company to improve margins, overall return on the capital and eventually shareholders value.

The Company remains apprehensive about possible changes in government policies, which will help to control the inflation affecting the purchasing power of consumers. Foreign exchange volatility is expected to be under control resulting in reduction in the prices of raw materials and finished goods. Market volatility and fluctuating prices of materials are key concerns, which are to be addressed appropriately at crucial stages to ensure projected growth.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY: The Company has suitable and adequate system of Internal Control commensurate to its size and nature of operations primarily to ensure that - the assets are safeguarded against loss from unauthorized use or disposition; the transactions are authorised, recorded and reported correctly and the Code of conduct, Policies and applicable statutes are duly complied with.

The Company has established a methodical system of Annual Budgeting and Management Information System (MIS). In addition, administrative and HR activities of the Company are also brought within this purview. The financial results of the Company are reviewed by the Audit Committee every quarter. The composition and role of Audit Committee can be found in the Corporate Governance Report in the Annual Report.

The Company has appointed Internal Auditor to examine the adequacy, relevance and effectiveness of Internal Control Systems. The Top Management and the Audit Committee of the Board review the findings and recommendations of the internal auditor.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED: Company has acquired fresh talent during the year for some of the critical leadership positions based on business requirements.

As on March 31, 2019 the company had 37 permanent employees. The company recognizes the importance of human value and ensures that proper encouragement both moral and financial is extended to employees to motivate them.

RISK AND CONCERNS: In every business activity, risk is inherent and your management is aware about the risk related to the business activity of your Company. Your Company is having a well - defined Risk Management Policy to identify major risks and their timely mitigation to protect the present and future performance of the company. The risks are broadly classified as market led business risk, risk related to foreign exchange, financial risk, change in trends and designs. The working capital management also received its due attention to reduce rising interest cost.

Market related Risk: As far as domestic market is concerned your Company is operating in a highly competitive environment both from big and organized sector as well as from small unorganized sector. However, we follow the stringent checks on quality and this help us to maintain consistency in the quality of all our products. The Company is hopeful that by constantly bringing in new designs, collections and with new concepts through innovation and employing new marketing strategies will greatly help it in mitigating the adverse impact apprehended.

Foreign Exchange: With respect to foreign exchange exposures, following steps are being taken to limit the risk of adverse exchange rate movement :

- a) In respect of export sales, in case we are able to predict the foreign exchange fluctuation trends, we determine our price accordingly and
- b) In respect of import of capital goods, whenever we make a contract, the liability is freezed keeping in view the future position of foreign exchange fluctuation.

Government Policy: The Company remains apprehensive about possible changes in government policies, which might adversely affect the purchasing power of consumers. Market volatility and fluctuating prices of materials are key concerns, which are to be addressed appropriately at crucial stages to ensure projected growth. Adopting suitable strategies depending upon the nature of change so as to retain the market share and profit margin could minimise adverse impact of change in Government policies and fiscal measures.

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

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE: Seasons Furnishing Limited (SFL) is committed to the principle of good corporate governance in order to achieve the long-term viability of the business keeping in mind the fair and ethical business and corporate practices and transparency in its dealings and continuously endeavours to review, strengthen and upgrade its systems and processes so as to bring in transparency and efficiency in its business. Your Company is fully compliant with the requirements under SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015. The Company's Corporate Governance philosophy is based on the fair and transparent disclosure of issues related with the Company's business, financial performance and other matters of stakeholders' interest. Your Company is committed to adhere to the norms of Corporate Governance on a consistent basis for meeting all its obligations towards the stakeholders.

At Seasons Furnishings Ltd. corporate governance is a value-based framework to manage our Company affairs in a fair and transparent manner. This framework is used to maintain accountability in all our affairs. Our corporate governance philosophy is based on the following principles.

- Satisfy the spirit of the law and not just the letter of the law.
- Be transparent and maintain a high degree of disclosure levels.
- Have a simple and transparent corporate structure driven solely by business needs.

Board of Directors is at the core of our corporate governance practice and oversees how the Management serves and protects the long-term interests of all our stakeholders.

Given below is the report on Corporate Governance as per SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015.

- 1. BOARD OF DIRECTORS:** The composition of the Board is in conformity with SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015. Half of the Board comprises Independent & Non-executive Directors. The management of the Company is headed by Mr. Mandeep Singh Wadhwa as Managing Director who operates under the supervision and control of the Board. The Board reviews and approves strategy and oversees the actions and results of the management to ensure that the long-term objectives of enhancing stakeholders' values are met.
- 1.1 Composition of the Board:** The Board comprises of five Directors. The names and categories of Directors, the number of Directorships and Committee positions held by them in other companies are given below.
- 1.2 Information on Board of Directors and attendance along with directorship and other details in other Companies:**

| Name and designation/Category | Whether attended AGM held on 30 th September 2018 | No. of Board Meetings attended during 2018-19 | Number of other Boards or Board Committees in which he/she is a Member or Chairperson (as on 31.3.19) | | |
|---|--|---|---|----------------------|------------------------|
| | | | Company Directorship in other Companies | Committee Membership | Committee Chairmanship |
| Mr. Mandeep Singh Wadhwa, (DIN:0007029), Managing Director | YES | 4 | 1 | 0 | 0 |
| Mrs. Manjit Kaur Wadhwa (DIN : 03604991), Whole time Director | YES | 4 | 1 | 0 | 0 |
| Mr. Bishen Dass Bhagat (DIN : 03604991), Non-executive Independent Director | No | 3 | 0 | 0 | 0 |
| Ms. Poonam Mehdiratta, (DIN : 01964772) Non- executive Independent Director | No | 2 | 0 | 0 | 0 |
| Mr. Manjeet Singh** (DIN : 00128733), Non-executive Independent Director | No | 0 | 1 | 1 | 2 |

**Mr. Manjeet Singh is appointed as Additional Director in Board Meeting held on 14.08.2018.

1.3 Number of Board Meetings held along with dates of Meetings: During the year under review, the Board of Directors met Four times as follows :

1. 29th May, 2018,
2. 14th August, 2018
3. 13th November, 2018
4. 12th February, 2019

1.4 Independent Directors and their relations with the Company:

All the Independent Directors have confirmed that they meet the 'independence' criteria as mentioned under Regulation 16(1) (b) of the SEBI Listing Regulations and Section 149(6) of the Companies Act, 2013 ("Act") and the Rules framed thereunder.

An Independent Director shall possess appropriate balance of skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business. Independent Directors, viz. Mr. Bijoya Kumar Behra and Mr. Pramod Kumar Hari, do not have any pecuniary relationships or transactions with the Company except for the sitting fees drawn for attending the meetings of the Board and Committee(s) thereof.

The Company Board has adopted a Familiarization Programme for Independent Directors, ("The Familiarization Programme"). The Programme lays down, in detail, the Familiarization procedure of Independent Directors with the company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc.

It has always been the Company's policy and practices that apart from matters requiring Board's approval by statute, all major decisions including quarterly results of the Company are regularly placed before the Board. This is in addition to information with regard to actual operations, major litigations, feedback reports, information on senior level appointments just below the Board level and minutes of all committee meetings.



Your Company has Audit Committee, Remuneration Committee and Investors' Grievance Committee. The Board is responsible for constituting, assigning, co-opting and fixing terms of service for the Committee Members of various Committees and delegates these powers to the Committees. Recommendations of the Committees are submitted to the Board of Directors for approval.

The frequency and agenda of meetings of each of these Committees is determined by the Chairman of the Board/ Executive Director in consultation with the Chairman of the concerned Committee. These Committees meet as and when the need arises.

2. BOARD PROCEDURES: It has always been the Company's policy and practice that apart from matters requiring Board's approval by statute, all major decisions including quarterly results of the Company, financial restructuring, capital expenditure proposals, collaborations, material investment proposals in joint venture/ promoted companies, sale and acquisition of material nature of assets, mortgages, guarantees, donations etc. are regularly placed before the Board in accordance with applicable laws, rules, regulations and SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 in addition to information with regard to actual operations, major litigations, feedback reports, information on senior level appointments just below the Board level and minutes of all committee meetings.

Information as required as per the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 is made available to the Board as and when applicable.

Performance evaluation of Directors: The Nomination and Remuneration Committee of the Board laid down the criteria for performance evaluation of all Directors.

The annual performance evaluation of its own performance and that of its statutory committees viz. Audit Committee, Stakeholder Relationship Committee, Nomination and Remuneration Committee and that of the individual directors has been done. The criteria for performance evaluation are as follows:

Role and Accountability

- Understanding the nature and role of Independent Directors' position.
- Understanding of risks associated with the business.
- Application of knowledge for rendering advice to management for resolution of business issues.
- Offer constructive challenge to management strategies and proposals.
- Active engagement with the management and attentiveness to progress of decisions taken.

Objectivity

- Non-partisan appraisal of issues.
- Own recommendations given professionally without tending to majority or popular views.

Leadership & Initiative

- Heading Board Sub-committees.
- Driving any function or identified initiative based on domain knowledge and experience.

Personal Attributes

- Commitment to role & fiduciary responsibilities as a Board member.
- Attendance and active participation.
- Proactive, strategic and lateral thinking.

Meeting of Independent Directors: During the year, meeting of Independent Directors was held to review the performance of the Board as a whole on parameters of effectiveness and to assess the quality, quantity and timeliness of flow of information between the management and the Board.

Familiarization Programme: Your Company follows a structured orientation and familiarization programme through various reports/codes/internal policies for all the Directors with a view to update them on the Company's policies and procedures on a regular basis.

Periodic information are made available to the members at the Board Meetings on business and performance, long term strategy, initiatives and risks involved.

Code of Conduct: Your Company has adopted a Code of Conduct for members of the Board and the Senior Management. The Code aims at ensuring consistent standards of conduct and ethical business practices across the Company.

Your Company has received confirmations from all concerned regarding their adherence to the said Code.

As per the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, the Managing Director of the Company confirmed compliance with the Code by all members of the Board and the Senior Management.

The full text of the Code is hosted on the Company's website www.seasonsfnishings.com.

CODE PURSUANT TO (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015

In the Board Meeting held on 6.2.2015, the Board approved establishment of the required codes as per above regulations. Accordingly, (i) Code of Practices and Procedures For Fair Disclosure of Unpublished Price Sensitive Information and (ii) Code of Internal Procedures & Conduct for Regulating, Monitoring & Reporting of Trading by Insiders (effective from 15th May 2015) were established. The codes are published on the web site of the Company www.seasonsfnishings.com.

3. COMMITTEES OF THE BOARD: The Board of Directors has constituted 3 Committees of the Board viz.

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders Relationship Committee

The Board determines the terms of reference of these Committees from time to time. Frequency and agenda of the Meetings of these Committees is determined by the Chairman of the Board in consultation with the Chairman of the concerned Committee. The Committee Meetings are convened by the respective Committee Chairman, as required by applicable law and as and when the need arises.

The Board is responsible for constituting, assigning, co-opting and fixing terms of service for the Committee Members of various Committees and delegates powers to the Committees. At each Board Meeting, minutes of these Committee Meetings and recommendations are placed before the Directors for their perusal, noting and approval as per the applicable law.

3.1 Audit Committee: Composition: The Audit Committee of the Company comprises of 3 members.

| S. No. | Name of Directors | Status | Category of Membership |
|--------|-------------------------|----------|----------------------------|
| 1 | Mr. Manjeet Singh* | Chairman | Independent, Non-Executive |
| 2 | Mr. Bishan Dass Bhagat | Member | Independent, Non-Executive |
| 3 | Mrs. Manjit Kaur Wadhwa | Member | Additional Director |

*Mr. Manjeet Singh is appointed as Additional Director in Board Meeting held on 14.08.2018.

Company Secretary of the Company acts as the secretary to the Committee

Meetings & Attendance:

During the financial year ended 31.3.18, four Meetings of the Audit Committee were held on

1. 29th May, 2018,
2. 14th August, 2018
3. 13th November, 2018
4. 12th February, 2019

The attendance record of the members at the Meetings of the Audit Committee was as follows :

| S. No. | Members | Committee Meetings held during the year | Meetings attended |
|--------|-------------------------|---|-------------------|
| 2. | Mr. Bishan Dass Bhagat | 4 | 3 |
| 3. | Mrs. Manjit Kaur Wadhwa | 4 | 4 |
| 4. | Mr. Manjeet Singh* | 4 | 2 |

*Mr. Manjeet Singh is appointed as Additional Director in Board Meeting held on 14.08.2018.

The terms of reference stipulated by the Board to the Audit Committee are, inter alia, as contained in SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 and Section 177 of the Companies Act, 2013 as follows:

- (i) the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- (ii) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (iii) examination of the financial statement and the auditors' report thereon;
- (iv) approval or any subsequent modification of transactions of the company with related parties;
- (v) scrutiny of inter-corporate loans and investments;
- (vi) valuation of undertakings or assets of the company, wherever it is necessary;
- (vii) evaluation of internal financial controls and risk management systems;
- (viii) monitoring the end use of funds raised through public offers and related matters
- (ix) overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- (x) recommending the appointment and removal of external auditors, fixation of audit fee and approval for payment of any other services;
- (xi) reviewing with management the quarterly and annual financial results before submission to the Board;
- (xii) reviewing with management the annual financial statements of the subsidiary companies;
- (xiii) reviewing the adequacy of internal control systems with the management, external auditors and internal auditor;
- (xiv) reviewing the adequacy of internal audit function;
- (xv) discussing with internal auditor any significant findings and reviewing the progress of corrective actions on such issues;
- (xvi) reviewing the findings of any internal investigations by the internal auditor in matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and then reporting such matters to the Board;
- (xvii) To review the functioning of the Whistle Blower Mechanism, in case the same is existing

Review of information by Audit Committee: The Audit Committee shall mandatory review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

Internal Auditors: The Company has appointed M/s Ashok Kantoor & Co., Chartered Accountants, New Delhi as internal auditors to review the internal control systems of the company and to report thereon. The reports of the Internal Auditors are reviewed by the Audit Committee on quarterly basis.

NOMINATION & REMUNERATION COMMITTEE: The Company constituted Nomination & Remuneration Committee with the requirement of the companies Act 2013. The remuneration committee presently comprises of three directors as its members. All the members of the Committee are independent, non-executive and person of repute and have sound knowledge of management practices.

Terms of Reference: The Nomination & Remuneration Committee shall exercise such powers, role, carry out functions and duties as provided in the Companies Act, 2013, applicable rules and regulations and SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 with BSE and as may be decided/delegated by the Board from time to time which, inter alia, includes recommending appropriate compensation packages for Directors and other top executive(s) to retain best available personnel in key positions.

The role of Nomination and Remuneration Committee is as follows:

- determining / recommending the criteria for appointment of Executive, Non-Executive and Independent Directors to the Board;
- determining / recommending the criteria for qualifications, positive attributes and independence of Directors;
- identifying candidates who are qualified to become Directors and who may be appointed in Senior Management and recommending to the Board their appointment and removal;
- reviewing and determining all elements of remuneration package of all the Executive Directors, i.e. salary, benefits, bonus, stock options, pension, etc.;
- reviewing and determining fixed component and performance linked incentives for Directors along with the performance criteria;
- determining policy on service contracts, notice period, severance fees for Directors and Senior Management;
- evaluating performance of each Director and performance of the Board as a whole;

Composition: The constitution of the Nomination & Remuneration Committee is as follows:

| S. No. | Name of Directors | Status | Category of Membership |
|--------|------------------------|----------|----------------------------|
| 1 | Mr. Bishan Dass Bhagat | Chairman | Independent, Non-executive |
| 2 | Ms. Poonam Mehdiratta | Member | Independent, Non-executive |
| 3 | Mr. Manjeet Singh | Member | Independent, Non-executive |

REMUNERATION TO DIRECTORS: The Detailed terms of appointment of the Managing Director are governed under board and members resolution. None of the Non - Executive Independent directors draw any remuneration from the company except sitting fees for attending each meeting of Board of Directors, Audit Committee and Nomination & Remuneration Committee and reimbursement of actual travel expenses for attending the Board / Audit/ remuneration Committee Meeting.

a) The details of remuneration paid to Managing Director and Whole time Director.

| Name | Salary | Perquisites & Other benefits | Total |
|--------------------------|-----------------|------------------------------|-----------------|
| Mr. Mandeep Singh Wadhwa | Rs. 29,70,000/- | Rs. 39,600/- | Rs. 30,09,600/- |
| Mrs. Manjit Kaur Wadhwa | Rs. 23,76,000/- | Rs. 39,600/- | Rs. 24,15,600/- |

b) The Non Executive Directors are paid by way of sitting fees (subject to TDS) for each meeting of Board of Directors and Audit committee. The details of remuneration paid to non Executive Directors are as under:

| Director | Sitting Fees |
|------------------------|--------------|
| Mr. Manjeet Singh | Rs. 30,000/- |
| Mr. Bishan Dass Bhagat | Rs. 45,000/- |
| Ms. Poonam Mehdiratta | Rs. 30,000/- |

Apart from receiving remuneration by way of sitting fees for attending each meeting of the board and audit committee, none of the Independent Director had any pecuniary relationship or transactions with the company during the year ended on 31st March, 2018.

STAKEHOLDERS RELATIONSHIP COMMITTEE: The company constituted Stakeholders Relationship Committee with the requirement of the Section 178 of Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015. The Board has constituted Stakeholders Relationship Committee of two members under the Chairmanship of a Non-executive Director.

Functions : The Committee exercise such powers, role, carry out functions and duties as provided in the Act, applicable rules and regulations and SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 with BSE and as may be decided/delegated by the Board from time to time including considering and resolving the grievances of the security holders of the company.

The broad terms of reference of the said Committee are as follows:

1. To look into the redressal of grievances such as transfer of security, non-receipt of annual reports, dividends, interest, etc. of various stakeholders of the Company viz. shareholders and other security holders, if any.
2. To approve and monitor transfers, transmission, splitting, consolidation, dematerialization, rematerialisation of securities issued by the Company and issue of duplicate security certificates.
3. To expedite the process of share transfers, the Board of Directors has delegated the power of share transfer to the registrar and share transfer agents.

Composition: The constitution of the Stakeholders Relationship Committee cum Share Transfer Committee is as under:-

| Name of the Members | Category |
|--------------------------|----------|
| Mrs. Manjeet Singh | Chairman |
| Mr. Mandeep Singh Wadhwa | Member |

DETAILS OF SHAREHOLDERS'/ INVESTORS' COMPLAINTS RECEIVED AND ATTENDED

| | |
|--|-----|
| Number of Shareholders Complaints received during the period 01.04. 2018 to 31.03.2019 | Nil |
| Number of Complaints attended/resolved | Nil |
| Number of pending complaints as on 31.03.2019 | Nil |

4. **GENERAL BODY MEETING:** Details of last three Annual General Meetings/Extra ordinary General Meeting are given as under:

| Financial Year | AGM / EGM Date | Location | Details of Special Resolution Passed |
|----------------|----------------|--|---|
| 2015-16 | 30.09.2016 | Royal Vatika, Main Bus Stand, Khera Khurd, Alipur Block - 110082 | 1. Reappointment of Mr. Mandeep Singh Wadhwa as M.D. 2. Appointment of Mrs. Manjit Kaur Wadhwa as Whole Time Director of the Company |
| 2016-17 | 29.09.2017 | Royal Vatika, Main Bus Stand, Khera Khurd, Alipur Block – 110082 | NIL |

| | | | |
|---------|------------|--|---|
| 2017-18 | 28.09.2018 | Royal Vatika, Main Bus Stand, Khera Khurd, Alipur Block – 110082 | Regularization of Appointment of Mr. Manjeet Singh (DIN: 08206912) as an Independent Non Executive Director |
|---------|------------|--|---|

RELATED PARTY TRANSACTIONS: All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted, Thus disclosure in form AOC-2 is not required, Further, there are no material related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have potential conflict with the interest of the Company at large. All Related Party Transactions are placed before the Audit Committee and Board for approval. The transactions entered into pursuant to the approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on quarterly basis. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website. None of the Directors has any pecuniary relationship on transactions vis-a-vis the Company.

5. DISCLOSURES:

- Related Party transactions:** The details of transactions, if any, with related parties are placed before the audit committee on quarterly basis. The policy on Related Party Transactions is hosted on the website of the Company www.seasons furnishings.com.
- Disclosure of Accounting Treatment:** The Company is following the Generally Accepted Accounting Policies of the trade which provides a true and fair view of the business of the Company.
- Compliance by the Company:** The Company has complied with the requirements of the stock exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the stock exchanges, SEBI or other statutory authorities relating to the above.
- Management Discussion and Analysis:** A management Discussion and Analysis Report form part of the Annual Report and includes a discussion on various matters specified under the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015.
- Vigil Mechanism:** As per Sec. 177(9) of the Companies Act, 2013, applicable Rules and the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, the company has established a vigil mechanism (whistle blower policy) for their directors and employees to report their genuine concerns. The vigil mechanism provide for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. No personnel has been denied access to the Audit Committee.

The Whistle Blower Policy has been disclosed on the Company's website www.seasons furnishings.com and circulated to all the Directors / employees.

- Risk Management:** The Company periodically identifies, assesses and monitors risks associated with operations, foreign exchange fluctuation, processes and systems, statutory compliances, HR policies etc. The Internal Auditor conducts periodical audits and reports to the Audit Committee at its meetings on the adequacy of the procedures.
- Declaration by CEO with regard to code of conduct:** A certificate from the Managing Director, regarding compliance with the code of conduct by the Directors and the Senior Management Personal has been enclosed at the end of this report.
- CEO/CFO Certification:** They have certified to the Board as per SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, for the FY. ended 31.03.2019
- MEANS OF COMMUNICATION:** The quarterly results of the Company are published in leading and widely circulated English/Hindi national newspapers like Financial Express, Business Standard, Mint, Rashtriya Sahara, Janasatta, etc as per the requirements of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015. The results are also mailed to the Stock Exchange where the company is listed. The Financial Results of the Company are also available at the Company's Website: www.seasons furnishings.com. The Annual Report of the Company is also sent to the members at their registered address and e-mail (by the RTA) to the members who have registered their e-mail ids.

Whether Website also displays official news releases: Yes, Financial Results, distribution of shareholding and press releases, if any, are displayed on the Website.

7. GENERAL SHAREHOLDER INFORMATION

- Annual General Meeting:** The 29th Annual General Meeting is Scheduled as under:-
Date : 23rd September, 2019 (Monday)
Time : 10.30 A.M.
Venue : Royal Vatika, Main Bus Stand, Khera Khurd, Delhi – 110 082
- Book Closure Period :** 16th September, 2019 to 23rd September, 2019 (both days inclusive).
- Listing on Stock Exchanges**

Your Company is presently listed at Bombay Stock Exchange Limited.

| S. No. | Name of Stock Exchange | Stock Code/ISIN No |
|--------|------------------------|--------------------|
| 1 | Bombay Stock Exchange | 521182 |
| 2 | ISIN NO | INE454D01015 |

iv. STOCK MARKET DATA: Month wise Share Prices on BSE:

The table mentioned herein below gives the monthly high, low and closing price quotations traded at BSE during the financial year ended 31.3.2019:

| DATE | High | Low | Close |
|--------|------|------|-------|
| Apr-18 | 9.24 | 8.3 | 9.2 |
| Jul-18 | 8.74 | 8.31 | 8.31 |
| Aug-18 | 7.9 | 7.9 | 7.9 |
| Sep-18 | 7.51 | 6.79 | 6.79 |
| Oct-18 | 6.46 | 5.84 | 5.84 |
| Nov-18 | 5.8 | 4.18 | 4.18 |
| Dec-18 | 4.36 | 3.45 | 3.92 |
| Jan-19 | 4 | 3.25 | 3.25 |
| Feb-19 | 3.09 | 3.09 | 3.09 |
| Mar-19 | 2.94 | 2.38 | 2.49 |

v. **Shareholding Pattern as on 31st March, 2019**

| Category of Shareholders | No of Shares held | % of Held |
|--------------------------------|-------------------|------------|
| Promoters | 4868729 | 65.85 |
| Financial Institutions / Banks | 400 | 0.01 |
| Foreign Institution Investors | 0 | 0.00 |
| Bodies Corporate | 316268 | 4.28 |
| NRI/OCS | 22632 | 0.31 |
| Public Trust | 0 | 0.00 |
| HUF | 46052 | 0.62 |
| NBFC | 3500 | 0.05 |
| Other Public Shareholders | 2136319 | 28.89 |
| Grand Total | 7393900 | 100 |

vi. **Compliance Officer**

Mr. Mandeep Singh Wadhwa, Managing Director

vii. **Common Agency for Share Transfers and Electronic Connectivity:**

Registrar and Share Transfer Agents

Skyline Financial Services (P) Limited

D-153 A, Okhla Industrial Area, Phase - I, New Delhi - 110 020

Tel : 011-40450193, 94, 95, 96, 97, Fax : 011-26812683

viii. **Share Transfer System:** Trading in equity shares of the Company through recognized stock exchange is permitted only in dematerialized form. Shares sent for transfer in physical form are registered and returned as per the applicable law/SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 within a period of 7 to 15 days from the date of receipt of the documents, provided the documents are valid and complete in all respects.

ix. **The Distribution Schedule as on 31st March, 2019 is as under:**

| Shareholding | Number of shareholders | % to Total | No. of Shares | % to Total |
|--------------------|------------------------|------------|-----------------|------------|
| Up To 5,000 | 2647 | 79.3 | 5612000 | 7.59 |
| 5001 To 10,000 | 407 | 12.19 | 3391600 | 4.59 |
| 10001 To 20,000 | 137 | 4.1 | 2272340 | 3.07 |
| 20001 To 30,000 | 51 | 1.53 | 1342570 | 1.82 |
| 30001 To 40,000 | 19 | 0.57 | 702450 | 0.95 |
| 40001 To 50,000 | 13 | 0.39 | 622700 | 0.84 |
| 50001 To 1,00,000 | 34 | 1.02 | 2283420 | 3.09 |
| 1,00,000 and Above | 30 | 0.9 | 57711920 | 78.05 |
| Total | 3338 | 100 | 73939000 | 100 |

x. **Dematerialization of Shares:**

The equity shares of the company are eligible for dematerialization. As on 31st March, 2019, the no. of shares held in dematerialized & in physical mode are given as under:

| Name of Depository | Number of Shares | % of total Issued Capital |
|--|------------------|---------------------------|
| National Securities Depository Ltd. | 1438654 | 19.46 |
| Central Depository Services (India) Ltd. | 5441437 | 73.59 |
| Physical | 513809 | 6.95 |
| Total | 7393900 | 100.00 |

xi. **Address for correspondence**

Seasons Furnishings Limited.

A - 45, Sector-8, Noida 201301 U P

Tel. Nos (0120) 4898000, Fax Nos (0120) 4351485

Email: cs@seasonsfurnishings.com



CEO / CFO CERTIFICATION

To

The members of

Seasons Furnishings Limited.

We, Mr. Mandeep Singh Wadhwa, Managing Director and Mr. Yogesh Kumar Sharma, Chief Financial Officer of the Company, hereby certify that:

- a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are to the best of our knowledge and belief, no transactions entered into by the company during the year which is fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit committee that:
 - (i) there has not been any significant changes in internal control over financial reporting during the year under the reference ;
 - (ii) there has not been any significant changes in accounting policies except to the extent already disclosed in the financial statement(s); and
 - (iii) there are no instances of significant fraud of which we had become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place : New Delhi

Date : 13th August, 2019

Mandeep Singh Wadhwa

Managing Director

DIN No. : 00007029

Yogesh Kumar Sharma

Chief Financial Officer

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To

the members of

Seasons Furnishings Limited.

We have examined the compliance of conditions of corporate governance by Seasons Furnishings Limited, for the year ended on 31st March 2019, as stipulated in SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 of the said company with stock exchanges. The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of the Corporate Governance as stipulated in the above mentioned SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015.

We stated that no investor grievance is pending for a period exceeding one month against the company.

We further State that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For PRAMOD KOTHARI & CO.

Place: Noida – 201 301

Date: 13th August, 2019

PRAMOD KOTHARI

(Partner)

Membership No. FCS 7091 C.P. 11532

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT

This is to certify that, to the best of my knowledge and belief, for the financial year ended 31st March, 2018, all the Board members and senior management personnel have affirmed compliance with code of ethics for Directors and Senior Management respectively.

For Seasons Furnishings Limited

Place : New Delhi

Dated : 13th August, 2019

(Mandeep Singh Wadhwa)

Chairman & Managing Director



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SEASONS FURNISHINGS LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **SEASONS FURNISHINGS LIMITED** ("the company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including other comprehensive income), Statement of Cash Flows and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information. (collectively referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Other Information

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

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. We have nothing to report in this regard.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013 with respect to preparation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribed under Section 133 of The Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Ind AS Financial Statements

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

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

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

- Identify and assess the risks of material misstatement of the Ind AS 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our

opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, ("the order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we enclose in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the said order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flow and Statement of changes in equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified in Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the company with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company did not have any material foreseeable losses on long term contracts including derivatives contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - h) In our opinion and to the best of our information, the remuneration paid by the company to its directors during the year in accordance with the provision of Section 197 of The Act.

For M/s Rakesh Varshney & Associates,
Chartered Accountants,
Firm's Registration Number- 022399N

C.A Rakesh Chandra Varshney
Proprietor
Membership No. 086048

Place : New Delhi
Dated : 30.05.2019



“ANNEXURE A” TO THE AUDITOR’S REPORT OF EVEN DATE TO THE MEMBERS OF THE SEASONS FURNISHINGS LIMITED ON THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31st, 2019

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:-

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) As informed to us, these fixed assets have been physically verified by the Management during the year. In our opinion the frequency of verification is reasonable having regard to the size of the operations of the Company. According to the information & explanations given to us, no material discrepancies were noticed on such physical verification.
- (c) The Company does not hold any immovable property, hence the requirement of clause 3(i) (c) of the Companies (Auditor’s Report) Order, 2016 is not applicable.
- (ii) As explained to us, the inventories have been periodically physically verified by the management. According to the information and explanation given to us, no material discrepancies have been noticed on such verification.
- (iii) The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Consequently, the requirement of clause 3(iii) (a) (b) and (c) of the Companies (Auditor’s Report) Order, 2016 is not applicable.
- (iv) The company does not have any investments, guarantees and security referred to in section 185 and 186 of the Companies Act, 2013. However the Company have unsecured loans amounting to Rs.86,240,867/- received from Director and the provisions of section 185 and 186 of the Companies Act, 2013 have been duly complied with.
- (v) The Company has not accepted any deposits from the public.
- (vi) The nature of the Company’s business is such that maintenance of cost records specified by the Central Government under sub section (1) of section 148 of The Act, is not applicable.
- (vii) (a) The Company is irregular in depositing with appropriate authorities undisputed statutory dues including Provident Fund and Tax Deducted at Source, undisputed amounts payable amounting to Rs.2,55,564/- of Provident Fund and Rs. 8,55,702/- of Tax Deducted at Source were outstanding as at March 31st, 2019 for a period of more than six months from the date they became payable.
(b) There is no amount in respect of Income Tax, Goods and Service tax, Sales Tax, Service Tax, Duty of Customs, Value Added Tax and Cess that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has generally not defaulted in repayment of dues to a financial institution or bank. The Company has no debenture holders.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanation given to us, the term loans raised during the year have been applied for the purposes for which they were obtained.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act. .
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For M/s Rakesh Varshney & Associates,
Chartered Accountants,
Firm’s Registration Number- 022399N**

**C.A Rakesh Chandra Varshney
Proprietor
Membership No. . 086048**

Place : New Delhi
Dated : 30.05.2019



ANNEXURE- B TO THE AUDITORS REPORT OF THE EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF SEASONS FURNISHINGS LIMITED FOR THE YEAR ENDED 31ST MARCH, 2019

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

We have audited the internal financial controls over financial reporting of Seasons Furnishings Limited (“the Company”) as of 31 March, 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

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 31 March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M/s Rakesh Varshney & Associates,
Chartered Accountants,
Firm’s Registration Number- 022399N

C.A Rakesh Chandra Varshney
Proprietor
Membership No. 086048

Place : New Delhi
Dated : 30.05.2019



SEASONS FURNISHINGS LIMITED
BALANCE SHEET
AS AT MARCH 31, 2019

| PARTICULARS | NOTES | AS AT MARCH 31, 2019 | AS AT MARCH 31, 2018 |
|--------------------------------------|-------|----------------------|----------------------|
| ASSETS | | | |
| (1) Non-Current Assets | | | |
| (a) Property, Plant and Equipment | 3 | 8,000,953 | 9,264,946 |
| (b) Capital work-in-progress | | 2,933,294 | 2,933,294 |
| (c) Intangible Assets | 4 | 698,837 | 757,025 |
| (d) Financial Assets | | | |
| (i) Other Financial Assets | 5 | 2,115,000 | 3,420,987 |
| Total Non-Current Assets | | 13,748,083 | 16,376,251 |
| (2) Current Assets | | | |
| (a) Inventories | 6 | 128,351,189 | 116,351,430 |
| (b) Financial Assets | | | |
| (i) Trade Receivables | 7 | 88,086,259 | 109,803,530 |
| (ii) Cash and Cash Equivalents | 8 | 88,039 | 132,072 |
| (iii) Current Financial Assets | 9 | 13,748,802 | 20,432,269 |
| (c) Other Current Assets | 10 | 1,186,294 | 1,176,863 |
| Total Current Assets | | 231,460,583 | 247,896,164 |
| Total Assets | | 245,208,666 | 264,272,415 |
| EQUITY AND LIABILITIES | | | |
| (1) Equity | | | |
| (a) Equity Share Capital | 11 | 73,939,000 | 73,939,000 |
| (b) Other Equity | 12 | 15,158,335 | 15,033,702 |
| Total Equity | | 89,097,335 | 88,972,702 |
| (2) LIABILITIES | | | |
| Non-Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 13 | 86,240,867 | 42,206,804 |
| (b) Deferred Tax Liabilities (Net) | | 53,102 | 57,316 |
| Total Non-Current Liabilities | | 86,293,969 | 42,264,120 |
| Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 14 | - | 44,309,588 |
| (ii) Trade Payables | 15 | 56,278,671 | 56,578,740 |
| (iii) Other Financial Liabilities | 16 | 1,677,419 | 9,590,185 |
| (b) Short term provisions | 17 | 245,498 | 157,787 |
| (c) Current Tax Liability (Net) | 18 | 30,609 | - |
| (d) Other Current Liabilities | 19 | 11,585,166 | 22,399,293 |
| Total Current Liabilities | | 69,817,363 | 133,035,593 |
| Total Liabilities | | 156,111,332 | 175,299,713 |
| Total Equity and Liabilities | | 245,208,666 | 264,272,415 |

Summary of significant accounting policies 2
The accompanying notes are an integral part of the financial statements
As per our Separate Report of even date attached

For M/s Rakesh Varshney & Associates
Chartered Accountants
Firm's Registration Number- 022399N

CA Rakesh Chandra Varshney
Proprietor
Membership No. 086048

For and on behalf of the Board

MANDEEP S. WADHWA
Managing Director

MANJIT K. WADHWA
Director

YOGESH SHARMA
Chief Financial Officer

KAMAL KUMAR GUPTA
Company Secretary

Place : New Delhi
Dated : 30.05.2019



SEASONS FURNISHINGS LIMITED
STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED MARCH 31, 2019

(Rs.)

| PARTICULARS | NOTES | YEAR ENDED MARCH 31, 2019 | YEAR ENDED MARCH 31, 2018 |
|--|-------|------------------------------|------------------------------|
| I INCOME | | | |
| a) Revenue from Operations | 20 | 67,932,723 | 60,642,930 |
| b) Other Income | 21 | 7,060 | 66,486 |
| TOTAL INCOME | | 67,939,782 | 60,709,416 |
| II EXPENSES | | | |
| a) Purchases of Stock-in-Trade | 22 | 44,404,362 | 29,267,937 |
| b) Increase / Decrease in Inventories | 23 | (12,111,081) | (919,614) |
| c) Employee Benefits Expense | 24 | 11,411,015 | 14,357,367 |
| d) Finance Costs | 25 | 2,297,410 | 9,536,674 |
| e) Depreciation and Amortization Expense | | 1,369,752 | 1,483,050 |
| f) Other Expenses | 26 | 20,417,298 | 19,643,849 |
| TOTAL EXPENSES | | 67,788,755 | 73,369,263 |
| III Profit / (Loss) before tax and exceptional items (I-II) | | 151,028 | (12,659,847) |
| IV Exceptional items | | - | - |
| V Profit / (Loss) before tax and after exceptional items (III-IV) | | 151,028 | (12,659,847) |
| VI Tax expense | | | |
| Current Tax | | 30,609 | - |
| Deferred Tax | | (4,214) | 50,661 |
| VII Profit / (Loss) for the year (V-VI) | | 124,633 | (12,710,508) |
| VIII Other Comprehensive Income | | - | - |
| IX Total comprehensive income for the year (VII+VIII) | | 124,633 | (12,710,508) |
| X Earnings per equity share | | | |
| Basic | | 0.02 | (1.72) |
| Diluted | | 0.02 | (1.72) |

Summary of significant accounting policies 2
The accompanying notes are an integral part of the financial statements
As per our Separate Report of even date attached

For M/s Rakesh Varshney & Associates
Chartered Accountants
Firm's Registration Number- 022399N

CA Rakesh Chandra Varshney
Proprietor
Membership No. 086048

For and on behalf of the Board

MANDEEP S. WADHWA
Managing Director

MANJIT K. WADHWA
Director

YOGESH SHARMA
Chief Financial Officer

KAMAL KUMAR GUPTA
Company Secretary

Place : New Delhi
Dated : 30.05.2019



SEASONS FURNISHINGS LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2019

(Rs.)

| PARTICULARS | YEAR ENDED 31ST MARCH, 2019 | | YEAR ENDED 31ST MARCH, 2018 | |
|--|--------------------------------|--------------------|--------------------------------|--------------------|
| A CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS | | 151,028 | | (12,659,847) |
| ADJUSTMENT FOR | | | | |
| DEPRECIATION | 1,369,752 | | 1,483,050 | |
| INTEREST INCOME | - | | (41) | |
| PROFIT/LOSS ON SALE OF FIXED ASSETS | (6,940) | | (26,441) | |
| LOSS/(PROFIT) ON CHITS | - | | 135,000 | |
| INTEREST/FINANCE CHARGES | 2,297,410 | <u>3,660,222</u> | 9,536,674 | <u>11,128,242</u> |
| OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES | | 3,811,250 | | (1,531,605) |
| ADJUSTMENT FOR | | | | |
| TRADE AND OTHER RECEIVABLES | 28,391,307 | | 16,067,056 | |
| INVENTORIES | (11,999,759) | | (919,614) | |
| TRADE AND OTHER PAYABLES | (19,026,963) | | (5,616,680) | |
| CHANGE IN SHORT TERM PROVISIONS | 118,320 | | 12,172 | |
| | | <u>(2,517,095)</u> | | <u>9,542,935</u> |
| CASH GENERATED FROM OPERATIONS | | 1,294,155 | | 8,011,330 |
| INTEREST/FINANCE CHARGES PAID | (2,297,410) | | (9,536,674) | |
| DIRECT TAXES PAID | (30,609) | | - | |
| | | <u>(2,328,019)</u> | | <u>(9,536,674)</u> |
| NET CASH FROM OPERATING ACTIVITIES | | (1,033,864) | | (1,525,344) |
| B CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| PURCHASE OF FIXED ASSETS | (82,157) | | (181,300) | |
| SALE / TRANSFER OF FIXED ASSETS | 41,525 | | 74,576 | |
| MOVEMENTS IN LONG TERM DEPOSITS | 1,305,987 | | - | |
| LOSS/(PROFIT) ON CHITS | - | | (135,000) | |
| INTEREST INCOME | - | | 41 | |
| NET CASH USED IN INVESTING ACTIVITIES | | 1,265,355 | | (241,683) |
| C CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| PROCEEDS / REPAYMENT OF LONG TERM BORROWINGS (NET) | 44,034,063 | | 885,362 | |
| PROCEEDS/ REPAYMENT OF SHORT TERM BORROWINGS (NET) | (44,309,588) | | 554,337 | |
| NET CASH USED IN FINANCING ACTIVITIES | | (275,525) | | 1,439,700 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | | (44,033) | | (327,328) |
| OPENING BALANCE OF CASH AND CASH EQUIVALENTS | | 132,072 | | 459,400 |
| CLOSING BALANCE OF CASH AND CASH EQUIVALENTS | | 88,039 | | 132,072 |

NOTES:

- (1) Cash and cash equivalents comprises of cash, bank balances and short term deposits.
- (2) Additions to fixed assets are stated inclusive of movements of Capital Work-in-Progress.

As per our Separate Report of even date attached

For M/s Rakesh Varshney & Associates
Chartered Accountants
Firm's Registration Number- 022399N

CA Rakesh Chandra Varshney
Proprietor
Membership No. 086048

For and on behalf of the Board

MANDEEP S. WADHWA
Managing Director

MANJIT K. WADHWA
Director

YOGESH SHARMA
Chief Financial Officer

KAMAL KUMAR GUPTA
Company Secretary

Place : New Delhi

SEASONS FURNISHINGS LIMITED

Statement of changes in Equity

A Equity Share Capital

| Particulars | Note | Amount |
|---------------------------------|------|------------|
| | | Rs. |
| As at 31 March, 2018 | | 73,939,000 |
| Changes in Equity Share Capital | 11 | - |
| As at 31 March, 2019 | | 73,939,000 |

B Other equity

| Particulars | | | | |
|-------------------------------|-----------------|-----------------|-------------------|--------------|
| | Capital Reserve | General Reserve | Retained Earnings | TOTAL EQUITY |
| | Rs. | Rs. | Rs. | Rs. |
| Balance as at 31 March, 2018 | 8,901,540 | 1,576,118 | 4,556,044 | 15,033,702 |
| - Profit/ (Loss) for the year | - | - | 124,633 | 124,633 |
| - Prior Period Adjustment | - | - | - | - |
| | | | 124,633 | 124,633 |
| Balance as at 31 March, 2019 | 8,901,540 | 1,576,118 | 4,680,677 | 15,158,335 |

As per our Separate Report of even date attached

For M/s Rakesh Varshney & Associates
Chartered Accountants
Firm's Registration Number- 022399N

CA Rakesh Chandra Varshney
Proprietor
Membership No. 086048

For and on behalf of the Board

MANDEEP S. WADHWA
Managing Director

MANJIT K. WADHWA
Director

YOGESH SHARMA
Chief Financial Officer

KAMAL KUMAR GUPTA
Company Secretary

Place : New Delhi
Dated : 30.05.2019



SEASONS FURNISHING LTD

NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 1: CORPORATE INFORMATION

Seasons Furnishing Limited is a listed public Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company is engaged in the Trading of Furnishing Fabrics and other Lifestyle Products.

NOTE 2 -: SIGNIFICANT ACCOUNTING POLICIES

- A. Basis of Preparation of Financial Statements:** The Financial Statements have been prepared under the historical cost convention on accrual method of accounting, in accordance with, the Indian Accounting Standards (Ind As) and the relevant provisions of the Companies Act, 2013. The Ind As are prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
- B. Statement of Compliance:** The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015.
- C. Use of Estimates:** The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses during the reporting period. Although such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates & assumptions and such differences are recognized in the period in which the results are crystallized.
- D. Property, Plant & Equipment:** All Property, Plant & Equipment are capitalised at cost inclusive of installation and directly attributable expenses. Property, Plant & Equipment are stated at cost. Cost includes interest on borrowed capital used for construction of fixed assets and of expenditure incurred during the construction period on a fair and reasonable basis.
- E. Intangible Assets** Intangible Assets are stated at cost of acquisition less accumulated amortization.
- F. Depreciation/ Amortisation** Depreciation on Property, Plant & Equipment has been charged on straight line method and provided over the useful life of the assets based on the useful life for the tangible assets prescribed under Schedule II of Companies Act, 2013. The cost of Intangible assets is amortized over a period of fifteen years the estimated economic useful life of the assets.
- G. Inventories** Inventories are valued at lower of cost and net realisable value as estimated by the management. Cost comprises of all cost of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition. The principles of First in first out have been used in the valuation of Inventories.
- H. Foreign Currency Transactions and Translations:** The functional currency of the Company is Indian Rupees. These financial statements are presented in Indian Rupees. Foreign currency monetary items are translated using the closing rate at the end of each reporting period. Non monetary items that are measured in terms of historical cost in foreign currency are translated using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized in the statement of profit and loss in the period in which they arise.
- I. Revenue Recognition** Revenue recognition have been adhered based upon the principles of Ind AS 18. Based on the principles as mentioned in the standards, following have been adhered:
- 1) **Consignment Sales** The consignment sales have been accounted for on sales effected by the consignee.
 - 2) **Other Sales** Sales are accounted for net of GST. Sale of products are recognized on transfer of property in goods as per agreed terms.
 - 3) **Other Incomes**
All income items in all material aspects having bearing on the financial statement are recognized on accrual basis.
- J. Provisions, Contingent Liabilities and Contingent Assets:** For the provisions, contingent liabilities and contingent assets, provisions of Ind AS 37 have been adhered. A provision is recognized when the company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date and are not discounted to present value. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. Contingent Assets are also disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.
- K. Employees' Benefits**
- 1) **Short Term Employee Benefits:-** Short Term Employee Benefits are recognized as an expense on an undiscounted basis in the Profit & Loss account of the year in which the related service is rendered.
 - 2) **Post Employment Benefits:-**
 - a) **Defined Contribution Plan:** The Employer's contribution to the Provident Fund and Pension Scheme, a defined contribution plan is made in accordance with the Provident Fund Act, 1952 read with the Employees Pension Scheme, 1995.
 - (b) **Defined Benefit Plan:** The liability for gratuity is provided through a policy taken from Life Insurance Corporation of India (LIC) by an approved trust formed for that purpose. The present value of the company's obligation is determined on the basis of actuarial valuation at the year end and the fair value of plan assets is reduced from the gross obligations under the gratuity scheme to recognize the obligation on a net basis.
- L. Taxation**
- (a) Provision for current tax is made and retained in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act, 1961.
 - (b) Deferred tax assets and liability are recognized for timing differences, using the balance sheet approach, based on tax rates that have been enacted or substantively enacted by the Balance Sheet date. Where there are unabsorbed depreciation or carry forward losses, Deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Ind AS 12

principles have been adhered on the calculation of deferred taxes using the Balance sheet approach and the same are accounted in the non-current assets/ liabilities depending upon the workings on the amounts provided.

M. Borrowing Costs

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

N. Impairment of Assets:

Intangible Assets and property, plant & equipment Intangible assets and property, plant & equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such case, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) has no impairment loss been recognized for the asset in prior years.

Financial Assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair value through profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

O. Earning Per Share

The earnings considered in ascertaining the Company's EPS comprises of net profit after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless the effect of the potential dilutive share is anti-dilutive.

P. Fair Value Measurement:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market price in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3- Valuation techniques for which the lower level input that is significant to the fair value measurement is Unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, Seasons Furnishings Ltd. determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

For the purpose of fair value disclosure, Seasons Furnishings Ltd. has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumption
- Quantitative disclosures of fair value measurement hierarchy

Q. Current versus non-current classification:

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- (a) expected to be realised in, or is intended to be sold or consumed in normal operating cycle;
- (b) held primarily for the purpose of being traded;
- (c) expected to be realised within 12 months after the reporting date; or
- (d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A Liability is current when:

- (e) it is expected to be settled in normal operating cycle;
- (f) it is held primarily for the purpose of being traded;
- (g) it is due to be settled within 12 months after the reporting date; or
- (h) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

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

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company has identified twelve months as its operating cycle.

R. Risk Management and disclosures : In compliance with Ind AS 107 with regard to disclosures - The nature and extent of risks arising from financial instruments to which Seasons Furnishings Limited is exposed during the period and at the end of the reporting period, and how Seasons Furnishings Limited is managing these risks.

- i) **Credit risk** Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including loans/advances etc given to employees.

- ii) **Liquidity risk** Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.
- iii) **Market risk** Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk:
1. Currency rate risk,
 2. Interest rate risk and
 3. Other price risks, such as equity price risk and commodity risk.

Financial instruments affected by market risk include loans and borrowings, deposits and investments.

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The company is into import as well and there are risks in relation to foreign currency exposure for the un-hedged portion.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Environment:-The Company operates in a market oriented environment. There is a stiff competition from various players in the domestic and international market as well.

Any variation in prices of material, interest rate, currency exchange rate variations and other price risk variations impact the profitability of the company.

Management of those Risks (mitigants)-

1. The Company extends credit to customers in normal course of business. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored and any expected losses are provided for as well.
2. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are mainly Distributors and exports and the past track records do not envisage any defaults on the payments seen so far and all payments are either through LC or through secured payments.
3. The Company does not envisage either impairment in the value of receivables from customers or loss due to time value of money due to delay in realization of trade receivables.
4. However, the Company assesses outstanding trade receivables on an ongoing basis considering changes in operating results and payment behavior and provides for expected credit loss on case-to-case basis.
5. As at the reporting date, company does not envisage any default risk on account of non-realization of trade receivables.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

3. PROPERTY, PLANT AND EQUIPMENT

(Rs.)

| PARTICULARS | TEMP. MODIFICATION / INTERIORS ON LEASE PREMISES | REFRIGERATION & AIR CONDITIONING | DATA PROCESSING EQUIPMENT | ELECTRICAL INSTALLATION & FITTING | OFFICE EQUIPMENTS | FURNITURE & FIXTURES | PLANT & MACHINERY | GENERATORS | VEHICLES | TOTAL |
|---------------------------------|--|----------------------------------|---------------------------|-----------------------------------|-------------------|----------------------|-------------------|------------|-----------|------------|
| Gross Carrying Amount | | | | | | | | | | |
| As at March 31, 2018 | 28,929,435 | 4,913,147 | 9,666,197 | 5,551,849 | 4,212,265 | 8,052,295 | 18,742,079 | 913,509 | 4,488,969 | 85,469,745 |
| Additions | - | - | - | - | 82,157 | - | - | - | - | 82,157 |
| Disposals/ Adjustments | - | - | - | - | - | - | - | - | 691,713 | 691,713 |
| As at March 31, 2019 | 28,929,435 | 4,913,147 | 9,666,197 | 5,551,849 | 4,294,422 | 8,052,295 | 18,742,079 | 913,509 | 3,797,256 | 84,860,189 |
| Accumulated Depreciation | | | | | | | | | | |
| As at March 31, 2018 | 28,288,105 | 4,551,826 | 6,020,608 | 4,567,222 | 3,858,097 | 6,731,577 | 17,202,322 | 840,924 | 4,144,120 | 76,204,799 |
| Depreciation for the year | - | 25,824 | 518,639 | 255,906 | 77,876 | 269,083 | 122,399 | 7,740 | 34,097 | 1,311,564 |
| Disposals | - | - | - | - | - | - | - | - | 657,127 | 657,127 |
| Written Off | - | - | - | - | - | - | - | - | - | - |
| As at March 31, 2019 | 28,288,105 | 4,577,650 | 6,539,247 | 4,823,128 | 3,935,973 | 7,000,660 | 17,324,721 | 848,664 | 3,521,090 | 76,859,236 |
| Net Carrying Amount | | | | | | | | | | |
| As at March 31, 2019 | 641,330 | 335,497 | 3,126,950 | 728,721 | 358,449 | 1,051,635 | 1,417,358 | 64,845 | 276,166 | 8,000,953 |
| As at March 31, 2018 | 641,330 | 361,321 | 3,645,589 | 984,627 | 354,168 | 1,320,718 | 1,539,757 | 72,585 | 344,849 | 9,264,946 |



SEASONS FURNISHINGS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

4. INTANGIBLE ASSETS

(Rs.)

| PARTICULARS | DESIGNING SOFTWARE | SOFTWARE | TOTAL |
|---------------------------------|--------------------|-----------|------------|
| Gross Carrying Amount | | | |
| As at March 31, 2018 | 8,475,162 | 3,609,665 | 12,084,826 |
| Additions | - | - | - |
| Disposals | - | - | - |
| As at March 31, 2019 | 8,475,162 | 3,609,665 | 12,084,826 |
| Accumulated Depreciation | | | |
| As at March 31, 2018 | 8,469,502 | 2,858,300 | 11,327,801 |
| Amortisation for the year | - | 58,188 | 58,188 |
| Disposals | - | - | - |
| As at March 31, 2019 | 8,469,502 | 2,916,488 | 11,385,989 |
| Net Carrying Amount | | | |
| As at March 31, 2019 | 5,660 | 693,177 | 698,837 |
| As at March 31, 2018 | 5,660 | 751,365 | 757,025 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(Rs.)

| PARTICULARS | AS AT MARCH 31, 2019 | AS AT MARCH 31, 2018 |
|--|----------------------|----------------------|
| 5. OTHER NON-CURRENT FINANCIAL ASSETS | | |
| Security Deposits | 2,115,000 | 3,420,987 |
| TOTAL | 2,115,000 | 3,420,987 |
| 6. INVENTORIES | | |
| (Valued at lower of Cost and Net Realizable value) | | |
| Finished Goods | 128,351,189 | 116,351,430 |
| TOTAL | 128,351,189 | 116,351,430 |
| 7. TRADE RECEIVABLES | | |
| Unsecured, considered good | 88,086,259 | 109,803,530 |
| TOTAL | 88,086,259 | 109,803,530 |
| 8. CASH AND CASH EQUIVALENTS | | |
| Balances with Bank | 12,606 | 35,654 |
| Cash on Hand | 75,433 | 96,418 |
| TOTAL | 88,039 | 132,072 |
| 9. CURRENT FINANCIAL ASSETS | | |
| (Unsecured, considered good unless otherwise stated) | | |
| Other advances recoverable | 13,748,802 | 20,432,269 |
| TOTAL | 13,748,802 | 20,432,269 |
| 10. OTHER CURRENT ASSETS | | |
| (Unsecured, considered good unless otherwise stated) | | |
| Prepaid Expenses | 17,147 | 122,205 |
| Balance with Statutory Authorities | 1,030,687 | 1,023,692 |
| Advances Recoverable in Cash or Kind | 138,460 | 30,966 |
| TOTAL | 1,186,294 | 1,176,863 |



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

| PARTICULARS | AS AT MARCH 31, 2019 | AS AT MARCH 31, 2018 | | |
|--|----------------------|----------------------|----------------------|-------------|
| 11. SHARE CAPITAL | | | | |
| AUTHORISED | | | | |
| 1,20,00,000 (As at March 31, 2018 -1,20,00,000) | | | | |
| Equity Shares of Rs.10/- each | 120,000,000 | 120,000,000 | | |
| ISSUED, SUBSCRIBED AND PAID-UP | | | | |
| 73,93,900 (As at March 31, 2018 -73,93,900) | | | | |
| Equity shares of Rs.10/- each | 73,939,000 | 73,939,000 | | |
| TOTAL | 73,939,000 | 73,939,000 | | |
| a) Terms and Rights attached to Equity Shares | | | | |
| <p>The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders. There is no restriction on distribution of dividend. However, same is subject to the approval of the shareholders in the Annual General Meeting .</p> | | | | |
| b) Reconciliation of Equity shares outstanding at the beginning and at the end of the year : | | | | |
| Particulars | | | | |
| Outstanding as at March 31, 2018 | 7,393,900 | 7,393,900 | | |
| Shares issued during the period | - | - | | |
| Shares bought back during the period | - | - | | |
| Outstanding as at March 31, 2019 | 7,393,900 | 7,393,900 | | |
| c) Shareholders holding more than 5% shares in the company | | | | |
| | No. of Shares | %age | No. of Shares | %age |
| Mandeep Singh Wadhwa | 31,92,779 | 43.18 | 31,92,779 | 43.18 |
| Manjit Kaur Wadhwa | 14,87,200 | 20.11 | 14,87,200 | 20.11 |
| 12. OTHER EQUITY | | | | |
| Capital Reserve | 8,901,540 | | 8,901,540 | |
| General Reserve | 1,576,118 | | 1,576,118 | |
| Retained Earnings | | | | |
| Opening balance | 4,556,044 | | 17,433,590 | |
| Net Profit/ (Loss) for the year | 124,633 | | (12,710,508) | |
| Prior Period adjustment | - | | (167,038) | |
| Closing balance | 4,680,677 | | 4,556,044 | |
| TOTAL | 15,158,335 | | 15,033,702 | |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

| PARTICULARS | AS AT MARCH 31, 2019 | AS AT MARCH 31, 2018 |
|--|----------------------|----------------------|
| 13. BORROWINGS | | |
| Secured | | |
| Term loans | | |
| Deutsche Bank | - | 35,125,604 |
| Unsecured | | |
| Bajaj Finance Ltd. | - | 431,336 |
| Loan From Director | 86,240,867 | 8,798,000 |
| Amsum Chits Pvt Ltd. | - | 1,229,750 |
| | 86,240,867 | 45,584,690 |
| Less Current maturities of term loans | - | 3,377,886 |
| TOTAL | 86,240,867 | 42,206,804 |
| CURRENT LIABILITIES | | |
| 14. SHORT TERM BORROWINGS | | |
| Loan repayable on demand (secured) | | |
| From banks | | |
| Deutsche Bank | - | 44,309,588 |
| TOTAL | - | 44,309,588 |
| 15. TRADE PAYABLES | | |
| Total outstanding dues of micro enterprises and small enterprises | 103,267 | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 56,175,404 | 56,578,740 |
| TOTAL | 56,278,671 | 56,578,740 |
| 16. OTHER FINANCIAL LIABILITIES | | |
| Current maturities of long-term debts | - | 3,377,886 |
| Other Payables | 1,677,419 | 6,212,299 |
| TOTAL | 1,677,419 | 9,590,185 |
| 17. SHORT TERM PROVISIONS | | |
| Employee Benefits | 245,498 | 157,787 |
| TOTAL | 245,498 | 157,787 |
| 18. CURRENT TAX LIABILITY (NET) | | |
| Current tax liability (net) | 30,609 | - |
| TOTAL | 30,609 | - |
| 19. OTHER CURRENT LIABILITIES | | |
| Advance from Customers | 5,034,625 | 10,717,394 |
| Tax Deducted at Source and Other Statutory Dues | 710,236 | 4,737,987 |
| Expenses Payable | 4,651,374 | 6,753,969 |
| Bank Account (Book Overdraft due to bank on account of Reconciliation) | 1,188,930 | 189,943 |
| TOTAL | 11,585,166 | 22,399,293 |



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

| PARTICULARS | FOR THE YEAR ENDED MARCH 31,2019 | FOR THE YEAR ENDED MARCH 31,2018 |
|---|-------------------------------------|-------------------------------------|
| 20. REVENUE FROM OPERATIONS | | |
| Sale of Products-Finished Goods | 67,932,723 | 60,642,930 |
| TOTAL | 67,932,723 | 60,642,930 |
| 21. OTHER INCOME | | |
| Interest Income | - | 41 |
| Other Non-Operating Income | 7,060 | 66,445 |
| TOTAL | 7,060 | 66,486 |
| 22. Purchases of Stock-in-Trade | | |
| Fabric | 44,404,362 | 29,267,937 |
| TOTAL | 44,404,362 | 29,267,937 |
| 23. INCREASE / DECREASE IN INVENTORIES | | |
| Closing Inventory | | |
| Finished Goods | 128,351,189 | 116,351,430 |
| Total (A) | 128,351,189 | 116,351,430 |
| Opening Inventory | | |
| Finished Goods | 116,351,430 | 115,431,816 |
| Total (B) | 116,351,430 | 115,431,816 |
| Total (B-A) | (12,111,081) | (919,614) |
| 24. EMPLOYEE BENEFITS EXPENSE | | |
| Salaries, Wages & Perquisites | 5,297,780 | 7,624,348 |
| Contribution to Provident Fund & Others | 538,824 | 1,135,446 |
| Directors Remuneration and Perquisites | 5,346,000 | 5,346,000 |
| Staff Welfare Expenses | 228,411 | 251,573 |
| TOTAL | 11,411,015 | 14,357,367 |
| 25. FINANCE COSTS | | |
| Interest on Working Capital | 824,562 | 4,627,499 |
| Interest on Other | 975,747 | 4,131,313 |
| Bank Charges and Commission | 479,481 | 521,833 |
| Currency Exchange Fluctuation | 17,620 | 256,029 |
| TOTAL | 2,297,410 | 9,536,674 |



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

| PARTICULARS | FOR THE YEAR ENDED MARCH 31,2019 | FOR THE YEAR ENDED MARCH 31,2018 |
|---|-------------------------------------|-------------------------------------|
| 26. OTHER EXPENSES | | |
| Audit Fee | 200,000 | 200,000 |
| Internal Audit Fees | 480,000 | 498,000 |
| Charity & Donation | - | 4,000 |
| Communication Expenses | 185,152 | 789,832 |
| Directors Sitting Fees | 120,000 | 103,126 |
| Electricity Expenses | 564,585 | 727,639 |
| Freight and Cartage | 652,107 | 274,208 |
| Festival Expenses | 24,880 | 31,981 |
| Insurance Expenses | 123,714 | 269,123 |
| Legal & Professional Expenses | 2,444,080 | 3,457,236 |
| Miscellaneous Expenses | 606,373 | 243,337 |
| Office & Others Running & Maintenance | 581,256 | 256,157 |
| Printing & Stationery | 114,815 | 171,664 |
| Rent | 8,518,032 | 2,689,500 |
| Rates & Taxes | 293,090 | 416,948 |
| Repair & Maintenance of Building | 736,854 | 779,524 |
| Repair & Maintenance of Plant & Machinery | 152,787 | 87,480 |
| Security Service Charges | 245,502 | 356,384 |
| Travelling & Conveyance Expenses | 1,447,375 | 1,859,628 |
| Vehicle Running & Maintenance | 293,147 | 620,350 |
| Advertisement & Publicity | 775,940 | 180,000 |
| Commission on Sale | 625,677 | 1,512,781 |
| Packing Material | 648,432 | 1,793,588 |
| Sales Promotion | 189,985 | 1,402,519 |
| Rebate & Discount | - | 63,305 |
| Sundry Balance written off | 17,488 | 24,855 |
| Sampling Expenses | 109,494 | 285,977 |
| Tailoring / Fabrication | 266,531 | 544,706 |
| TOTAL | 20,417,298 | 19,643,849 |

NOTE-27 OTHER NOTES ON ACCOUNTS

- a. Previous year figures have been re-arranged and regrouped to make it comparable with the current year figures.
b. Contingent Liabilities and Commitments to the extent not provided for:-

Contingent Liabilities

- a. Claim against the company not acknowledged as debts- NIL

Commitments

- a. Estimated amount of contract remaining to be executed on Capital Account and not provided for is – NIL
c. All the known liabilities have been provided for and there are no disputed liabilities as confirmed by the directors
d. Wherever the balance confirmation is not available from the parties, the balances as appearing in the books of account have been considered.
e. Profit & Loss account includes remuneration to Auditors as given below:

| PARTICULARS | YEAR ENDED | YEAR ENDED |
|---------------------|--------------------------|--------------------------|
| | 31ST MARCH,2019 (Rs.) | 31ST MARCH,2018 (Rs.) |
| For Statutory Audit | 1,60,000 | 1,60,000 |
| For Tax Audit | 40,000 | 40,000 |
| Total | 2,00,000 | 2,00,000 |

- f. Payment to Directors by way of Remuneration

| PARTICULARS | YEAR ENDED | YEAR ENDED |
|----------------------|--------------------------|--------------------------|
| | 31ST MARCH,2019 (Rs.) | 31ST MARCH,2018 (Rs.) |
| Salary | 53,46,000 | 53,46,000 |
| P.F. and other funds | 43,200 | 4,27,680 |
| Total | 53,89,200 | 57,73,680 |

- g. Capital work in progress includes advances for expansion projects/modification of existing Projects and purchase of assets.

h. Related Party Disclosures:

Disclosure as required are given below:

1) List of Related parties

- Associate Companies : Seasons Lifestyle Pvt. Ltd.
Key Management personnel : Mandeep S Wadhwa & Manjit Kaur Wadhwa
Relatives : TejKaur, Inderjeet S Wadhwa

2) Transaction with related parties

| Nature of Transactions | Rs. In lacs | | | | | |
|---------------------------------|---|--------------------------|-----------|---|--------------------------|-----------|
| | YEAR ENDED 31 ST MARCH, 2019 | | | YEAR ENDED 31 ST MARCH, 2018 | | |
| | Associate Companies | Key management personnel | Relatives | Associate Companies | Key management personnel | Relatives |
| 1 Sales and other income | - | - | - | 7.85 | - | - |
| 2 Purchases | 5.05 | - | - | 1.53 | - | - |
| 3 Outstanding Balances- Debtors | 363.35 | - | - | 333.34 | - | - |
| Creditors | - | - | - | - | - | - |
| Unsecured Loan | - | 862.41 | - | - | 87.98 | - |
| 4 Security deposits | - | - | - | - | - | 5.70 |
| 5 Managerial Remuneration | - | 53.89 | - | - | 57.74 | - |

- i. Basic and Diluted Earnings per share (EPS)

| PARTICULARS | YEAR ENDED | YEAR ENDED |
|---|---------------------------------------|---------------------------------------|
| | 31 ST MARCH, 2019 (Rs.) | 31 ST MARCH, 2018 (Rs.) |
| Profit/ (Loss) available to equity shareholders | 1,24,633 | (1,27,10,508) |
| Weighted average number of Equity shares | 73,93,900 | 73,93,900 |
| EPS (Basic and diluted) Rupees per share | 0.02 | (1.72) |
| Nominal Value of Share | Rs. 10 | Rs. 10 |

- j. Segmental Information: -

The Company has only one business segment of trading of Furnishing Fabrics. The company operates its business from India. Therefore, there is only one business and geographical segment.

k **Deferred Taxation:**

The break-up of the Net deferred tax liability

| | AS AT 31-03-2019 (Rs.) | AS AT 31-03-2018 (Rs.) |
|--|---------------------------|---------------------------|
| Deferred Tax Liability on account of :- | | |
| Depreciation on fixed assets | 53,102 | 57,316 |
| Total | | |
| Net Deferred Tax Assets / (Liability) | 53,102 | 57,316 |

- l. In the opinion of the management, the Current Assets, Loans and Advances have a value on realisation in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet
- m. In terms of Ind AS 36, the assets are not impaired because the recoverable amount of fixed assets collectively determined by the present value of estimated future cash flows is higher than its carrying value.
- n. Tour and Travelling Expenses include Rs. 25,102/-(Previous Year- Rs.3,81,178/-) on account of Directors.
- o. **VALUE OF IMPORT ON CIF BASIS**

| | Year Ended 31-03-2019 Rs. | Year Ended 31-03-2018 Rs. |
|---------------|---------------------------------|---------------------------------|
| Trading Goods | 93.29 Lacs | 50.48 Lacs |

p. **EXPENDITURE IN FOREIGN CURRENCY:-**

| | Year Ended 31-03-2019 Rs. | Year Ended 31-03-2018 Rs. |
|--------------------|---------------------------------|---------------------------------|
| Foreign Travelling | 3.82 Lacs | 5.09 Lacs |

q. **EARNING IN FOREIGN CURRENCY:**

| | Year Ended 31-03-2019 Rs. | Year Ended 31-03-2018 Rs. |
|-----------------------|---------------------------------|---------------------------------|
| F.O.B Value of Export | NIL | NIL |

r. **Statement of Cash Flow:**

The Statement of Cash Flow has been compiled from and is based on the Balance Sheet as on March 31, 2019 and Profit & Loss Account for the year ended on that date.

The Cash Flow Statement has been prepared on the basis of indirect method as set out in the Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flow issued by the Institute of Chartered Accountants of India.

As per our Separate Report of even date as annexed hereto.

For M/s RakeshVarshney & Associates
Chartered Accountants
Firm's Registration Number- 022399N

CA Rakesh Chandra Varshney
Proprietor
Membership No. 086048

Place : New Delhi
Dated : 30/05/2019

For and on behalf of the Board

MANDEEP S. WADHWA
Managing Director

MANJIT KAUR WADHWA
Director

KAMAL KUMAR GUPTA
Company Secretary

YOGESH SHARMA
Chief Financial Officer



PROXY FORM

Annual General Meeting 2019

[FORM MGT – 11]

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

Name of member(s) :
 Registered Address :
 E-Mail ID :
 Folio No./ Client ID* :
 DP ID* :

I/We, being the member(s) holding.....shares of Seasons Furnishings Limited, hereby appoint:

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the Company to be held at 10.30 AM on Friday, the 28th day of September, 2018 at Royal Vatika, Main Bus Stand, Khera Khurd, Delhi – 110 082 or any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution No. | Resolution(s) | Vote (Optional, see Note 4) | | |
|-------------------|--|-----------------------------|---------|---------|
| | | For | Against | Abstain |
| Ordinary Business | | | | |
| 1 | Adoption of Audited Financial Statements for the year ended March 31, 2019 together with the reports of the Auditors and Directors thereon | | | |
| 2 | Re-appointment of Mrs. Manjit Kaur Wadhwa (DIN 00050971) as a Director, who retires by rotation | | | |
| Special Business | | | | |
| 3 | Re-appointment of Mr. Mandeep Singh Wadhwa, as Chairman and Managing Director of the Company | | | |
| 4 | Re-appointment of Mrs. Manjit Kaur Wadhwa (DIN 00050971), as Whole Time Director of the Company | | | |

Signed thisday of2019

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

Affix
Revenue
Stamp

Notes:

1. This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and to vote on poll instead of himself/herself. A proxy need not be a member.
3. Signature of member should be across a Revenue stamp of Re. 1/-.
4. Please put a tick (“”) mark in the Box in the appropriate column against the respective resolutions. It is optional to indicate your preference. If you leave the “For”, “Against” or “Abstain” columns blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.
- 5 *Applicable for members holding shares in dematerialise

.....
 Signature of Member/Proxy



SEASONS FURNISHINGS LIMITED

CIN: L36101DL1990PLC039238

Registered Office: 64, Ground Floor, Ring Road, Lajpat Nagar - III, New Delhi - 110 024,

Tel No. : 011-41582040, 011-47585543

Email : cs@seasonsfurnishings.com Website : www.seasonsfurnishings.com

ATTENDANCE SLIP

| | |
|--|--|
| NAME OF THE ATTENDING MEMBERSE (IN BLOCK LETTERS) | |
| Folio No. (Applicable in case of shares held in Physical Form) | |
| DP ID No.* | |
| Client ID No.* | |
| NO. of shares Held | |
| NAME OF PROXY (IN BLOCK LETTERS, TO BE FILLED IN IF THE PROXY ATTENDS INSTEAD OF THE MEMBERS) | |

I/We hereby record my/our presence at 29th Annual General Meeting of the Company at 10.30 AM on Monday, the 23rd day of September, 2019 at Royal Vatika, Main Bus Stand, Khara Khurd, Alipur Block, Delhi – 110 082.

Note:

1. Attendance slip not filled properly will not be entertained.
2. All joint holders should use only one slip.
3. Bags/Briefcases are not allowed inside the meeting venue and the Company shall not be responsible for loss of same.

*Applicable for investors holding shares in electronics form.

**Strike off whichever is not applicable.

