

Regd. Office : 45, Chinubhai Tower,  
Opp. Handloom House, Ashram Road, Ahmedabad - 380 009.  
Tel.: 079 - 2658 3309 • E-mail : sawacabusiness@yahoo.com  
Website : www.sawacabusiness.com

**SAWACA**

CIN No.: [REDACTED]

**BUSINESS MACHINES LTD.**

L74110GJ1994PLC023926

To,  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai-400 001,  
MH,IN.

Date: 31<sup>st</sup> August, 2023

**BSE Scrip Code:- 531893**

**Sub: Annual Report for the Financial Year 2022-23 including Notice of Annual General Meeting**

Dear Sir/ Madam,

Pursuant to provisions of Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 Annual Report of the Company for the Financial Year 2022-23 including the Notice convening Annual General Meeting, being sent to the Members through electronic mode, is attached.

This is for your information and records.

**Thanking you.**  
**Yours faithfully,**  
**For, SAWACA BUSINESS MACHINES LIMITED**

**SHETAL SATISHKUMAR SHAH**  
**Managing Director**  
**Din: 02148909**

**Encl.: As Above**

**29<sup>th</sup>**  
**Annual Report**  

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**SAWACA BUSINESS MACHINES LIMITED**

[CIN: L74110GJ1994PLC023926]

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

**Mr. Shetal S. Shah**

Chairman, Managing Director & CFO(w.e.f.22.07.2022)

**Mr. Vijay Shah**

Non-Executive Independent Director

**Mrs. Lilaben K. Agaja**

Non-Executive Independent Director

**Mr. Satish Shah**

Non-Executive Director(w.e.f. 22.07.2022)

### COMPANY SECRETARY

**Ms. Manali Jain** (up to 31.03.2023)

Company Secretary & Compliance officer

**Mr. Saurabh Shah** (w.e.f 15.04.2023)

Company Secretary & Compliance officer

### BORAD COMMITTEES

#### Audit committee

**Mr. Vijay Shah, Chairman**

**Mrs. Lilaben K. Agaja, Member**

**Mr. Satish Shah, Member**

#### Stakeholders Relationship Committee

**Mr. Vijay Shah, Chairman**

**Mrs. Lilaben K. Agaja, Member**

**Mr. Satish, Member**

#### Nomination and Remuneration Committee

**Mr. Vijay Shah, Chairman**

**Mrs. Lilaben K. Agaja, Member**

**Mr. Satish, Member**

#### Executive Committee

**Mr. Shetal Shah, Chairman**

**Mr. Vijay Shah, Member**

**Mr. Lilaben K. Agaja, Member**

### STATUTORY AUDITORS

**M/s. M A A K & Associates,**

Chartered Accountants, Ahmedabad

### INTERNAL AUDITORS

**M/s. Shridhar Shah & Co.,**

Chartered Accountants, Ahmedabad

### SECRETARIAL AUDITORS

**M/s. Mukesh H. Shah & Co.,**

Company Secretaries, Ahmedabad

### REGISTERED & CORPORATE OFFICE

**SAWACA BUSINESS MACHINES LIMITED**

**Regd. Office :-** 45, Chinubhai Tower,  
OPP. Handloom House, Ashram Road,  
Ahmedabad-380009, GJ, IN.

**Tel:-** (079)-26583309

**Website:** www.sawacabusiness.com

**CIN:** L74110GJ1994PLC023926

### BANKERS

**Indian Overseas Bank**

Ashram Road Branch, Ahmedabad

### REGISTRAR & SHARE TRANSFER AGENT

**Bigshare Services Private Limited**

A-802 Samudra Complex, Near Klassic Gold Hotel,  
Off. C G Road, Ahmedabad-380009, Gujarat.

**Ph. No.:** 079-40024135

**Email:** bssahd@bigshareonline.com

**Website:** www.bigshareonline.com

### WEBSITE

www.sawacabusiness.com

### INVESTOR SERVICES E-MAIL ID

investor.grievance.sawaca@gmail.com

### CORPORATE IDENTIFICATION NUMBER

L74110GJ1994PLC023926

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**NOTICE**

**Notice** is hereby given that the Twenty Ninth Annual General Meeting ("AGM") of the Members of **SAWACA BUSINESS MACHINES LIMITED** will be held on Friday 29th September, 2023 at 12:00 Noon at Shree Balaji Agora mall, 200 ft S. P. Ring Road, Between Tapovan & Bhat Circle, Motera, Ahmedabad-382424, to transact the following business:

**ORDINARY BUSINESS:**

- 1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended on March 31, 2023 comprising of the Balance Sheet as at March 31, 2023, Statement of Profit & Loss and Cash Flow Statement as on that date and the Explanatory Notes annexed to, and forming part of, any of the above documents together with the Report of the Board of Directors' and Auditors' thereon.**
- 2. To appoint a Director in place of Mr. Satish R Shah [DIN: 05103862] who retires by rotation and being eligible, offers him-self for re- appointment.**

Therefore, members are requested to consider and if thought fit, to pass the following resolution as an ordinary resolution:

**"RESOLVED THAT**, pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Satish R Shah [DIN: 05103862], who retires by rotation, be and is hereby re-appointed as a director liable to retire by rotation"

**SPECIAL BUSINESS:**

- 3. To ratify / approve the related party transactions of the Company.**

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

**"RESOLVED THAT** pursuant to the provisions of the Section 188 and other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members be and is hereby accorded for ratification / approval of material contracts / arrangements entered into by the Company with Related Party as defined under Section 2(76) of the Companies Act, 2013, and as set out in the explanatory statement annexed to the Notice."

PLACE : **Ahmedabad**

DATE : **12.08.2023**

**By Order of the Board**  
**For, SAWACA BUSINESS MACHINES LIMITED**

**Regd. Office:-** 45, CHINUBHAI TOWER,  
OPP. HANDLOOM HOUSE, ASHRAM ROAD,  
AHMEDABAD-380009, GUJARAT, INDIA.  
Tel:- (079)-26583309  
Website: www.sawacabusiness.com  
CIN: L74110GJ1994PLC023926

Sd/-  
**SHETAL SHAH**  
DIN: 02148909  
Managing Director & Chairman

**NOTES:**

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business is annexed hereto.
2. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.  

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The proxy holder shall prove his identity at the time of attending the Meeting;
3. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto;
4. Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting at sawacabusiness@yahoo.com;
5. Members / Proxies / Authorised Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copy(ies) of Annual Report;
6. Members who are holding shares in dematerialized form are required to bring details of their Beneficiary Account Number for identification;
7. Pursuant to the provisions of Section 91 of the Act, read with Rule 10 of Companies (Management and Administration) Rules, 2014 and pursuant to Regulation 42 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Register of members and share transfer books of the Company will remain closed from Saturday, 23rd September, 2023 till Thursday, 29th September, 2023 (both the days inclusive);
8. The Notice of AGM along with Annual Report 2022-23 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company's RTA / DPs. In furtherance of the Green Initiative. Members may note that the Notice and Annual Report will also be available on the Company's website i.e. [www.sawacabusiness.com](http://www.sawacabusiness.com), website of the Stock Exchange i.e. Bombay Stock Exchange of India Ltd. at [www.bseindia.com](http://www.bseindia.com) and on the website of Central Depository Services Ltd. (CDSL) at [www.evotingindia.com](http://www.evotingindia.com);
9. The brief profile of the Directors proposed to be appointed / re-appointed as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given in the section "Report on Corporate Governance" forming part of this Annual Report.
10. All documents referred to in the accompanying Notice to the Members and the Explanatory Statement are available for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, Sundays and public holidays, during working hours up to and including the date of the AGM.
11. Members who have not yet registered their e-mail addresses are requested to register the same with their Depository Participants ("DP") which is mandatory for e-voting through Depository. For registration of bank details, the Member may contact their respective DPs;
12. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
13. With a view to conserve natural resources, we request the Members to update and register their email addresses with their DPs or RTA, as the case may be, to enable the Company to send communications including Annual Report, Notices, Circulars, etc. electronically.
14. Pursuant to Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, Members are entitled to make a nomination in respect of shares held by them in physical form. Shareholders desirous of making a nomination are requested to send their requests in the prescribed Form No. SH-13 and for cancellation / variation in nomination in the prescribed Form No. SH-14 to the Registrar and Transfer Agent of the Company i.e. M/s Bigshare Services Private Limited.
15. In compliance with MCA Circulars and SEBI Circular dated January 15, 2021 read with SEBI Circular dated May 12, 2020 ("collectively referred to as SEBI Circulars") The Notice of Twenty Ninth AGM along with the Annual Report for the financial year SEBI will be sent electronically indicating the process and manner of remote e-voting

to the Members whose e-mail addresses are registered with the Depository Participants /Company. The physical copy of the Notice of Twenty Ninth AGM along with the Annual Report for the financial year SEBI Circular dated May 05, 2020 will be sent through permitted mode to those Members whose e-mail addresses are not registered with the Depository Participants/Company indicating the process and manner of remote e-voting.

The Members will be entitled to receive physical copy of the Annual Report for the financial year ended on March 31, 2023, free of cost, upon sending a request to the Registrar and Transfer Agent or the Company Secretary of the Company. The Notice along with the Annual Report will also be available on the Company's website [www.sawacabusiness.com](http://www.sawacabusiness.com)

Further, the Members who have not registered their e-mail address so far are requested to register the same for receiving all communications including Notices, circulars, Annual Reports etc. from the Company electronically.

16. Members whose shareholding is in physical form are requested to inform change in address or bank mandate to the Registrar and Transfer Agent i.e. M/s. Bigshare Services Private Limited or the Company Secretary of the Company by a written request duly signed by the Member for receiving all communication in future.
17. Members desiring any information relating to the accounts are requested to write to the Company at least ten days before the AGM so as to enable the management to keep the information available at the AGM.
18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in dematerialized form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company's Registrar and Transfer Agent i.e. M/s. Bigshare Services Private Limited or the Company Secretary of the Company.

**19. Voting through electronic means(EVSN 230816013):-**

In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Company is pleased to provide Members facility to exercise their right to vote at the Twenty Ninth AGM by electronic means ("e-voting") and business may be transacted through remote e-voting (e-voting from a place other than venue of the AGM,) services provided by Central Depository Services (India) Limited (CDSL) for the resolutions set forth in this Notice. It is hereby clarified that it is not mandatory for a Member to vote using the remote e-voting facility and a Member may avail facility at his/her discretion, subject to compliance with the instructions for remote e -voting given below:

**Instructions for shareholders voting electronically are as under:**

- (i) The remote e-voting period begins on Tuesday, September 26, 2023 (09:00 AM) and ends on Thursday, September 28, 2023 (5:00 PM). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday 22nd September 2023, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.
	2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.
	3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>
	4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> . Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a>
	3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.

1. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
2. Click on "Shareholders" module.
3. Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
6. If you are a first-time user follow the steps given below:

	<b>For Shareholders holding shares in Demat Form other than individual and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
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"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (vi) After entering these details appropriately, click on "SUBMIT" tab
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.

- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
  - (ix) Click on the EVSN:- 230816013 for Sawaca Business Machines Limited on which you choose to vote.
  - (x) 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.
  - (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
  - (xii) 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.
  - (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
  - (xv) 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.
  - (xvi) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**
    - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
    - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
    - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
    - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
    - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
    - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz;. [sawacabusiness@yahoo.com](mailto:sawacabusiness@yahoo.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
20. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Friday 22 September 2023.
  21. Any person, who acquires shares of the Company and become Member of the Company after dispatch of Notice of AGM and holding shares as of the cut-off date i.e. Friday 22 September 2023 , may obtain the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  22. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper
  23. A Member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
  24. M/s Mukesh H. Shah & Co., has been appointed as the Scrutinizer for providing facility to the Members of the Company to scrutinize the voting by electronic voting system and remote e-voting process in a fair and transparent manner.
  25. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those Members who are present at the AGM but have not cast their votes by availing the remote evoting facility.

26. The Scrutinizer shall immediately after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall submit within the stipulated time, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
27. The Results shall be declared on or after the AGM of the Company by the Chairman of the Company or a person authorized by him in writing, within stipulated time, as per the Scrutinizer's Report submitted to him. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.sawacabusiness.com](http://www.sawacabusiness.com), notice board of the Company and on the website of CDSL. The results shall immediately be forwarded to the BSE Limited.
28. **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**
1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
  2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
  3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022-23058738 and 022-23058542/43.

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

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF  
THE COMPANIES ACT, 2013 (“ACT”)**

**ITEM NO. 3**

The Company has entered into following related party transaction with the Related Party during the year under review:

<b>Name of Related Party</b>	<b>Mr. Satish Shah</b>
Nature of relationship	Chief Financial Officer
Nature of transaction	Rent
Amount of Transaction during the year (Rupees in Lacs)	Rs. 5
Are the transactions in the ordinary course of business	Yes
Are the transactions on an arm’s length basis	Yes
Related parties interested, if any	Mr. Satish Shah

Pursuant to the provisions of the Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and rules thereunder and Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to other approvals, consent of the members through general meeting is required for the ratification / approval of the material contracts / arrangements as stated above entered into by the Company with related party.

As per Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, related parties of the Company shall abstain from voting on such resolutions whether the entity is a related party to the particular transaction or not.

Mr. Vishal Shah Director and Mr. Shetal Shah Managing Director and Mr. Satish R. Shah CFO of the Company are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice except as mentioned above.

Your Directors recommend the resolution for your approval as an Ordinary Resolution.

**DETAILS OF DIRECTOR SEEKING APPOINTMENT/ RE-APPOINTMENT  
AT THE ANNUAL GENERALMEETING**

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of the Director	SATISH SHAH
Directors Identification Number [DIN]	05103862
Date of Birth	01.10.1952
Date of appointment on the Board	22.07.2022
Qualifications	Commerce Graduate
Directorship held in other Public Companies (excluding foreign, private and Section 8 companies)	None
Memberships/ Chairmanships of Committee of other public companies (includes only Audit Committee & Stakeholders' Relationship Committee)	None
Number of shares held in the Company	355079
Expertise in Specific Area	Finance, Accounting and Compliance

PLACE : **Ahmedabad**

DATE : **12.08.2023**

**Regd. Office:-** 45, CHINUBHAI TOWER,  
OPP. HANDLOOM HOUSE, ASHRAM ROAD,  
AHMEDABAD-380009, GUJARAT, INDIA.  
Tel:- (079)-26583309  
Website: www.sawacabusiness.com  
CIN: L74110GJ1994PLC023926

**By Order of the Board  
For, SAWACA BUSINESS MACHINES LIMITED**

Sd/-  
**SHETAL SHAH**  
DIN: 02148909  
Managing Director & Chairman

## Directors Report

Dear Members,

Your Directors are pleased to present the Twenty Ninth Annual Report of the Company covering the operating and financial performance together with the Audited Financial Statements and the Auditors' Report thereon for the Financial Year ended on March 31, 2023.

**FINANCIAL RESULTS:**

The financial highlights of the Company during the period ended March 31, 2023 are as below:

(Amount in Rupees)

Particulars	Financial Year 2022-23	Financial Year 2021-22
Revenue from operations (Gross)	268.23	292.84
Less: Excise duty	0.00	0.00
Revenue from operations (Net)	268.23	292.84
Other income	96.48	89.18
<b>Total Revenue</b>	<b>364.72</b>	<b>382.02</b>
Less: Expenses		
(a) Cost of materials consumed	209.68	242.58
(b) Purchases of stock-in-trade	Nil	Nil
(c) Changes in inventories of FG, WIP & Stock-in-Trade	Nil	Nil
(d) Employee benefits expense	22.95	32.07
(e) Finance costs	2.21	2.31
(f) Depreciation expense	11.43	12.96
(g) Other expenses	58.35	36.52
<b>Total Expenses</b>	<b>304.63</b>	<b>326.44</b>
<b>Profit/ (Loss) before tax</b>	<b>60.10</b>	<b>55.58</b>
Less: Tax expense:		
(a) Current tax expense	14.84	16.43
(b) Deferred tax	(9.77)	(1.47)
(c) Prior Period Adjustment	0.45	1.57
<b>Profit / (Loss) for the year</b>	<b>54.57</b>	<b>40.62</b>
Earnings per share (face value Rs.1/-) Basic & Diluted (In Rupees)	0.05	0.04

**OPERATIONS REVIEW:**

The Company's total revenue from operations during the financial year ended 31st March, 2023 were Rs. 364.72 Lacs as against Rs. 382.02 Lacs of the previous year representing decrease of approximately about 4.53% over the corresponding period of the previous year with total expenses of Rs. 305.08 lacs (previous year of Rs.326.44 lacs). The Company has made Net Profit of Rs. 54.47 Lacs as against Rs. 40.62 Lacs of the previous year after considering Depreciation and Provision for Tax and other adjustments representing an increase of approximately about 34.34% over the corresponding period of the previous year.

The EPS of the Company for the year 2022-23 is Rs. 0.05

**DIVIDEND:**

No dividend has been recommended in respect of the financial year ended 31st March, 2023 and the entire surplus be ploughed back to the business to meet the needs for additional finance for capital expenditure.

**TRANSFER TO RESERVES:**

The Company has not transferred any amount to reserves during the year.

**SHARE CAPITAL:**

During the year under review, there has increased the Share Capital of the Company from Rs.11,00,00,000/- to Rs.62,00,00,000/-. The Company's Authorized share capital is Rs.62,00,00,000/- comprising of 62,00,00,000 equity shares of Rs.1/- each.

The Company has vide resolutions, dated 17.05.2022, passed through Postal Ballot, split the equity share of Rs.10/- each into Rs.1/- each and has increased the Authorised Share Capital to Rs.11,50,00,000 and had capitalized Rs.1,04,00,900 out of free reserves by issuing the Bonus Shares in the ration of 10:100 (Post Split) resulting into an increase in paid up share capital of the Company, which on the date of this report stands at Rs.11,44,09,900.

Particulars	Amount (Rs.)
<b>Authorized Share Capital</b>	
Share Capital as on 31.03.2022 • 1,10,00,000 Equity Shares of Rs.10/- Each	11,00,00,000
Sub Division of Share Capital having Face Value of Rs.10/- Each into Rs.1/- Each (vide resolution passed Via Postal Ballot at 17.05.2022)	11,00,00,000
Add: Creation of additional 50,00,000 new equity shares of Rs.1/- each aggregating to Rs. 50,00,000/- (vide resolution passed Via Postal Ballot at 17.05.2022) • 11,50,00,000 Equity Shares of Rs.1/- Each	11,50,00,000
Add: Creation of additional 50,50,00,000 new equity shares of Rs.1/- each aggregating to Rs. 50,50,00,000/- (vide resolution passed at 28th AGM at 25.08.2022) • 60,00,00,000 Equity Shares of Rs.1/- Each	50,50,00,000
Share Capital as on 31.03.2023 • 62,00,00,000 Equity Shares of Rs.1/- Each	62,00,00,000
<b>Issue, Subscribed and Paid Up Share Capital</b>	
Share Capital as on 31.03.2022 • 10400900 Equity Shares of Rs.10/- Each(Fully Paid Up)	10,40,09,000
Sub Division of Share Capital having Face Value of Rs.10/- Each into Rs.1/- Each (vide resolution passed Via Postal Ballot at 17.05.2022)	10,40,09,000
Issue of Bonus Shares in ration of 10:100 (vide resolution passed Via Postal Ballot at 17.05.2022) • 10400900 Equity Shares of Rs.1/- Each(Fully Paid Up)	1,04,00,900
Share Capital as on 31.03.2023 • 114409900 Equity Shares of Rs.1/- Each(Fully Paid Up)	11,44,09,900

Further we wish to inform you that the authorized Share capital of the Company stood at Rs.62,00,00,000/- as on 31.03.2023 as a result of which Clause V of Memorandum of Association of the company was altered as per requirement of The Companies Act, 2013.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY AND CHANGE IN NATURE OF THE BUSINESS:**

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this Directors' Report.

**LISTING WITH STOCK EXCHANGE:**

The Company confirms that it has paid the Annual Listing Fees for the year 2022-23 to BSE Limited where the Company's Shares are listed.

**TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**

During the year under review, the Company did not transfer any unclaimed dividend and shares to Investors Education and Protection Fund.

**DEPOSITS:**

During the year under review, the Company has neither invited nor accepted any deposits from the public under Section 76 and Chapter V of the Companies Act, 2013 and rules made thereunder.

**SUBSIDIARY, JOINT VENTURE (JV) AND ASSOCIATES COMPANIES:**

During the year under review, the Company does not have any Subsidiary, Joint Venture (JV) or Associates Company.

**BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNELS:**

The Board of Directors of your company has various Executive and Non-Executive Directors including Independent Directors who have wide experience in different disciplines of corporate functioning.

There were no material changes during the year on the board of directors, except:-

- (a) Mr. Satish Shah (DIN:-0503862) was appointed as an Additional Non-Executive Director of the Company w.e.f. July 22nd, 2022 and his appointment was regularized at the 28th AGM by the Members of the Company;
- (b) Mr. Vishal Shah (DIN:- 02148899), Non-Executive Director has resigned from her post w.e.f. July 22nd, 2022;
- (c) Mr. Satish Shah has resigned from the office of CFO of the Company w.e.f. July 22nd, 2022;
- (d) Mr. Shetal Shah was appointed to the office of CFO of the Company w.e.f. July 22nd, 2022;
- (e) Mrs. Manali Jain, CS has resigned from her of Company Secretary and Compliance Officer w.e.f. March 31, 2023.

Mr. Satish Ramanlal Shah, Director of the Company who retires by rotation at the conclusion of this Annual General Meeting and being eligible offer himself for re-appointment. A brief resume of Mr. Satish Ramanlal Shah, being a director, is given in the section on "Report on Corporate Governance" forming part of this Annual Report.

Mr. Vijay Shah holds office as a Non-Executive and Independent Director of the Company, and is eligible for appointment as a Director who is not liable for retirement by rotation for a period of 5 years. A brief resume of Mr. Vijay Shah is given in the section on "Report on Corporate Governance" forming part of this Annual Report.

Mrs. Lilaben Ageja holds office as a Non-Executive and Independent Director of the Company, and is eligible for appointment as a Director who is not liable for retirement by rotation for a period of 5 years. A brief resume of Mrs. Lilaben Ageja is given in the section on "Report on Corporate Governance" forming part of this Annual Report.

Mr. Shetal Shah - Chairman, Managing Director and Chief Financial Officer and Mr. Saurabh B Shah (Appointed w.e.f. 15.04.2023), Company Secretary & Compliance Officer of the Company are the Key Managerial Personnel in terms of Section 203(1) of the Companies Act, 2013.

As on date of this Report, the Board of Directors of the Company comprised of Four Directors, one of whom is the Chairman & Managing Director. The remaining Three Directors comprises of one who is a Non-Executive and Non-Independent Director, Two Director Non-Executive and Independent Directors.

**DECLARATIONS OF INDEPENDENT DIRECTORS:**

The Company has received declaration pursuant to Section 149(7) of the Companies Act, 2013 from each of its Non-Executive and Independent Directors to the effect that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013, Regulation 16(1) (b) and Regulation 25 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations"). These declarations have been placed before and noted by the Board.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors to the best of its knowledge and ability, confirm that:

- (a) In the preparation of the annual accounts for the financial year ended on March 31, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2023 and of the profit and loss of the Company for that period;
- (c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) They have prepared the annual accounts on a going concern basis;

- (e) They have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**NUMBER OF MEETINGS OF THE BOARD:**

During the year under review, Regular Board Meetings are held once in a quarter, inter-alia, to review the quarterly results of the Company. During the year under review 6(Six) Board Meetings were convened and held on 13.04.2022, 07.05.2022, 30.05.2022, 22.07.2022, 14.11.2022 and 08.02.2023. The intervening gap between the two meetings was within the period prescribed under the Companies Act, 2013. The details of the meetings of the Board of Directors are given in the section on "Report on Corporate Governance" forming part of this Annual Report.

**DETAILS OF FRAUD REPORTING BY AUDITOR:**

During the year under review, there were no frauds reported by the auditors to the Board under section 143(12) of the Companies Act, 2013.

**POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:**

The Company has formed Nomination and Remuneration Committee which has framed Nomination and Remuneration Policy. The Committee reviews and recommend to the Board of Directors about remuneration for Directors and Key Managerial Personnel and other employee up to one level below of Key Managerial Personnel. The Company does not pay any remuneration to the Non-Executive Directors of the Company other than sitting fee for attending the Meetings of the Board of Directors and Committees of the Board. Remuneration to Executive Directors is governed under the relevant provisions of the Act and approvals.

The Company has devised the Nomination and Remuneration Policy for the appointment, re-appointment and remuneration of Directors, Key Managerial. All the appointment, re-appointment and remuneration of Directors and Key Managerial Personnel are as per the Nomination and Remuneration Policy of the Company. The Nomination and Remuneration Policy is also available on the website of the Company [www.sawacabusiness.com](http://www.sawacabusiness.com)

For Board of Directors and Senior Management Group, The Board of Directors of the Company has laid down a code of conduct for all the Board Members and Senior Management Group of the Company. The main object of the Code is to set a benchmark for the Company's commitment to values and ethical business conduct and practices. Its purpose is to conduct the business of the Company in accordance with its value systems, fair and ethical practices, applicable laws, rules and regulations. Further, the Code provides for the highest standard of professional integrity while discharging the duties and to promote and demonstrate professionalism in the Company.

All the Board Members and Senior Management Group of the Company have affirmed compliance with the code of conduct for the financial year ended on March 31, 2023 as required by Regulation 26(3) of the Listing Regulations. A declaration signed by the Chairman & Managing Director to this effect is attached as a part of this Annual Report. The code of conduct is also available on the website of the Company [www.sawacabusiness.com](http://www.sawacabusiness.com)

**FOR PREVENTION OF INSIDER TRADING:**

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 came into effect from May 15, 2015 to put in place a framework for prohibition of insider trading in securities and to strengthen the legal framework thereof. Pursuant to Regulation 8 of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated and adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Code of Fair Disclosure") of the Company. The Code of Fair Disclosure is available on the website of the Company [www.sawacabusiness.com](http://www.sawacabusiness.com)

Further, pursuant to Regulation 9 of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated and adopted the Code of Conduct for Prevention of Insider Trading. The Code lays down guidelines and procedures to be followed and disclosures to be made while dealing with the shares of the Company and cautioning them on the consequence of non-compliances. The Company Secretary has been appointed as a Compliance Officer and is responsible for monitoring adherence to the Code. The code of conduct to regulate, monitor and report trading by insiders is also available on the website of the Company [www.sawacabusiness.com](http://www.sawacabusiness.com)

**VIGIL MECHANISM:**

The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy. The policy enables the employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. Further the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provide for adequate safe guards against victimization of Whistle Blower who avails



of such mechanism and also provides for direct access to the Chairman of the Audit Committee, in exceptional cases. The functioning of vigil mechanism is reviewed by the Audit Committee from time to time. None of the Whistle blowers has been denied access to the Audit Committee of the Board. The Whistle Blower Policy of the Company is available on the website of the Company [www.sawacabusiness.com](http://www.sawacabusiness.com).

**BOARD EVALUATION:**

Pursuant to the provisions of Sections 178(2) of the Companies Act, 2013 and Regulation 17(10) of the Listing Regulations, the Nomination and Remuneration Committee / Board has carried out evaluation of the performance of the Board, its Committees and Independent Directors. A structured evaluation feedback form was prepared after taking into consideration the inputs received from the Directors, covering various aspects such as board composition, flow of board process, information and functioning, establishment and determination of responsibilities of Committees, and quality of relationship between the Board and the management. The performance of Individual Directors and the Board Chairman was also carried out in terms of attendance, contribution at the meetings, circulation of sufficient documents to the Directors, timely availability of the agenda, etc. Further, pursuant to Schedule IV of the Companies Act, 2013, the performance evaluation of the Independent Directors was carried out by the entire Board of Directors of the Company, except the one being evaluated.

**PERFORMANCE EVALUATION:**

The performance evaluation of the Independent Directors was completed. During the financial year under review, the Independent Directors met on 08th February, 2023 inter-alia, to discuss:

- ✓ Performance evaluation of Non Independent Directors and Board of Directors as a whole;
- ✓ Performance evaluation of the Chairman of the Company;
- ✓ Evaluation of the quantity, quality and timeliness of flow of information between the Management and Board for effective performance by the Board.

The Board of Directors expressed their satisfaction with the evaluation process.

**COMMITTEES OF THE BOARD OF DIRECTORS:**

Your Company has several Committees which have been established as part of the best Corporate Governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

The Company has following Committees of the Board of Directors:

- ✓ Audit Committee
- ✓ Stakeholder's Grievances and Relationship Committee
- ✓ Nomination and Remuneration Committee
- ✓ Executive Committee
- ✓ Transfer Committee

The details with respect to the compositions, powers, terms of reference and other information of relevant committees are given in details in the Corporate Governance Report which forms part of this Annual Report.

**RISK MANAGEMENT POLICY:**

The Company is aware of the risks associated with the business. It regularly analyses and takes corrective actions for managing/ mitigating the same.

The Company has framed a formal Risk Management Framework for risk assessment and risk minimization which is periodically reviewed to ensure smooth operation and effective management control. The Audit Committee also reviews the adequacy of the risk management framework of the Company, the key risks associated with the business and measure and steps in place to minimize the same.

**POLICY FOR PREVENTION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORK PLACE:**

Your Directors state that during the year under review, there were no complaints reported under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**BOARD DIVERSITY:**

None of the Directors of the Company is disqualified for being appointed as Director as specified in Section 164(2) of the Companies Act, 2013.

**STATUTORY AUDITORS:**

Pursuant to Section 139 and other applicable provisions of the Companies Act, 2013 and rules made there under, M/s. M A A K & Associates (Firm Registration Number: 135024W), Statutory Auditors, Chartered Accountants, Ahmedabad were appointed as a Statutory Auditors of the Company at the Twenty Sixth Annual General Meeting held on September 30, 2020 for five years i.e. Financial Year 2020-2021 to Financial Year 2024-2025 from conclusion of Twenty six Annual General Meeting till the conclusion of Thirty First Annual General Meeting.

The eligibility certificate pursuant to Section 141 of the Companies Act, 2013 and the rules made thereunder is also received from the Statutory Auditors of the Company.

The Standalone Auditors' Report for the financial year ended on March 31, 2023 have been provided in "Financial Statements" forming part of this Annual Report.

The report of the Statutory Auditor does not contain any qualification, reservation, adverse remark or disclaimer. The observations made in the Auditor's Report are self-explanatory and therefore do not call for any further comments.

**INTERNAL AUDITORS:**

M/s. Shridhar Shah & Co. has been appointed on 07.05.2022 as the internal auditor of the company for the Financial Year 2022-23 and continues until resolved further. Internal Auditors are appointed by the Board of Directors of the Company on a yearly basis, based on the recommendation of the Audit Committee. The Internal Auditor reports their findings on the Internal Audit of the Company, to the Audit Committee on a quarterly basis. The scope of internal audit is approved by the Audit Committee.

**SECRETARIAL AUDITOR:**

Pursuant to Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed M/s. Mukesh H. Shah & Co., Company Secretaries as Secretarial Auditor of the Company for the financial year ended on March 31, 2023. The Secretarial Audit Report for the financial year ended on March 31, 2023 is attached as Annexure -I to the Directors' Report and forming part of this Annual Report.

**DIRECTORS' RESPONSE ON AUDITORS' QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMER MADE:**

There is a no qualification of Disclaimer of Opinion in the Auditor's Report on the Financial Statements to the shareholders of the Company made by the Statutory Auditors in their Auditors

**EXTRACT OF ANNUAL RETURN:**

In accordance with Sections 134(3)(a) & 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, The annual return in Form No.MGT-7 for the financial year 2022-23 will be available on the website of the Company ([www.sawacabusiness.com](http://www.sawacabusiness.com)). The due date for filing annual return for the financial year 2022-23 is within a period of sixty days from the date of annual general meeting. Accordingly, the Company shall file the same with the Ministry of Corporate Affairs within prescribed time and a copy of the same shall be made available on the website of the Company ([www.sawacabusiness.com](http://www.sawacabusiness.com)) as is required in terms of Section 92(3) of the Companies Act, 2013.

**CORPORATE GOVERNANCE REPORT:**

Pursuant to the Regulation 34(3) read with Schedule V Part C of the Listing Regulations, a "Report on Corporate Governance" is given separately, forming part of this Annual Report. Pursuant to Regulation 34(3) read with Schedule V, Part E of the Listing Regulations, the Certificate from M/s. M A A K & Associates, Chartered Accountants, Ahmedabad confirming compliance with the conditions of Corporate Governance is annexed to the Corporate Governance Report forming part of this Annual Report.

**MANAGEMENT DISCUSSION AND ANALYSIS:**

Pursuant to the Regulation 34(2)(e) read with Schedule V, Part B of the Listing Regulations, "Management Discussion & Analysis" is given separately forming part of this Annual Report.

**PARTICULARS OF LOANS, GUARANTEE OR INVESTMENT:**

Pursuant to Section 186 of the Companies Act, 2013 and the rules made thereunder, particulars of loans given, investments made or guarantee given or security provided, have been provided in "Financial Statements" forming part of this Annual Report.

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

Pursuant to the provision of Section 188 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014, particulars of contracts or arrangements with related parties falling within the scope of Section 188(1) of the

Companies Act, 2013 given in prescribed Form AOC-2 is attached as Annexure –II to the Directors' Report and forming part of this Annual Report.

#### **CORPORATE SOCIAL RESPONSIBILITY:**

As the Company does not fall under the mandatory bracket of Corporate Social Responsibility, the Company has not taken any initiative on Corporate Social Responsibility.

#### **INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

Your Company has laid down the set of standards, processes and structure which enables to implement internal financial control across the Organization and ensure that the same are adequate and operating effectively. To maintain the objectivity and independence of Internal Audit, the Internal Auditor reports to the Chairman of the Audit Committee of the Board.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with the operating systems, accounting procedures and policies of the Company. Based on the report of Internal Auditor, the process owners undertake the corrective action in their respective areas and thereby strengthen the Control. Significant audit observation and corrective actions thereon are presented to the Audit Committee of the Board.

#### **PARTICULARS OF EMPLOYEES:**

The information required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:

#### **Remuneration Ratio of Directors/ KMP/ Employees:**

Name	Designation	Remuneration Paid		Ratio to median remuneration	Increase / decrease in remuneration from previous year (Rs.)
		FY 2021-22 (Rs.)	FY 2022-23 (Rs.)		
Satish Shah	CFO	660000	165000	64.71	(495000)
Vishal Shah	NED	420000	105000	0	0
Ms. Manali Jain	CS	180000	192000	70.58	0

The particulars of the employees who are covered by the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:

Employed throughout the year : 11 (Eleven)

Employed for part of the year : 02 (Two)

The number of permanent employees on the rolls of Company as on 31 March, 2023: 09 (Ten)

The remuneration paid to all Key management Personnel was in accordance with remuneration policy adopted by the Company.

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

In view of the nature of activities which are being carried on by the Company, the particulars as prescribed under Section 134(3) (m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, the Conservation of Energy, Technology Absorption and Research and Development are not applicable to the Company.

During the Year Company used foreign exchange and earned foreign exchange amounting is NIL.

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

During the year under review, there were no significant and/or material orders passed by any Court or Regulator or Tribunal, which may impact the going concern status or the Company's operations in future.

#### **INDUSTRIAL RELATIONS:**

The Directors are pleased to report that the relations between the employees and the management continued to remain cordial during the year under review.

#### **BUSINESS RESPONSIBILITY REPORT:**

Pursuant to Regulation 34(2)(f) of the Listing Regulations read with notification SEBI/LAD-NRO/GN/2015-16/27 dated

December 22, 2015, the Business Responsibility Report is to be given only by top 500 listed companies based on market capitalization, therefore the same is not applicable to the Company as on March 31, 2023.

**INSOLVENCY AND BANKRUPTCY CODE:**

There is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.

The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable to the Company.

**ACKNOWLEDGMENTS:**

The Board of Directors greatly appreciates the commitment and dedication of employees at all levels who have contributed to the growth and success of the Company. We also thank all our clients, vendors, investors, bankers and other business associates for their continued support and encouragement during the year.

We also thank the Government of India, Government of Gujarat, Ministry of Commerce and Industry, Ministry of Finance, Customs and Excise Departments, Income Tax Department and all other Government Agencies for their support during the year and look forward to their continued support in future.

**For And On Behalf Of The Board Of Directors  
For, Sawaca Business Machines Limited**

**PLACE : Ahmedabad  
DATE : 12.08.2023**

**Sd/-  
Shetal Satishkumar Shah  
CMD  
DIN: 02148909**

## ANNEXURE - I

## SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To the Members,

**SAWACA BUSINESS MACHINES LIMITED**

45, Chinubhai Tower,  
Opp. Handloom House, Ashram Road,  
Ahmedabad -380009

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sawaca Business Machines Limited [CIN: L74110GJ1994PLC023926] (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to me and the representations made by the management, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2023, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and maintained by the Company for the financial year ended on 31st March, 2023 and made available to me according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made there under as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) 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 Borrowings(Not applicable to the Company during the audit period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and 2015, as amended from time to time;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014(Not applicable to the Company during the audit period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations. 2008(Not applicable to the Company during the audit period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client(Not applicable as the Company is not registered as a Registrars to an Issue or Share Transfer Agent during the financial year under review);
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009(Not applicable to the Company during the audit period); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998(Not applicable to the Company during the audit period);
- (vi) The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company are;

- (a) Payment of Wages Act, 1936, and rules made there under;
- (b) Prevention of Money Laundering act, 2002
- (c) Information Technology Act, 2000 as amended up to date and the rules made thereunder

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has generally complied with the all material aspects of applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above:

I further report that:

- a) The Compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.
- b) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes if any in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- c) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent 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.
- d) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I 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, and regulations and guidelines.

I further report that during the audit period, the following are the events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, Rules, Regulations, Guidelines, and Standards taken place

- Also the authorized equity share capital was split/subdivided from equity share of Rs.10/- each to equity shares of Rs. 1/-each pursuant to resolution passed by members via postal ballot on 17.05.2023.
- The authorized share capital of Rs. 11,00,00,000/- consisting of 11000000 Equity Shares of Rs.10/- each was increased to Rs.11,50,00,000/- consisting of 11500000 Equity shares of Rs.10/- each pursuant to resolution passed by members via postal ballot on 17.05.2023.
- The Shareholders' approved issue of 10400900 bonus equity shares via postal ballot on 17th May, 2023 in the proportion of 10 (Ten) new fully paid-up equity share of Rs.1/- each for every 100(Hundred) existing fully paid-up equity share of Rs.1/- each. Accordingly, the company allotted 10400900 bonus equity shares of Rs.1/- each to the equity shareholders in proportion to their shareholdings as on record date.
- The authorized share capital of Rs.11,50,00,000/- consisting of 115000000 Equity Shares of Rs.1/- each was again increased to Rs.62,00,00,000/- consisting of 620000000 Equity shares of Rs.1/- each pursuant to resolution passed by members at the Annual General Meeting held on 25.08.2022.

Place : Ahmedabad  
Date : 11.08.2023

For, MUKESH H. SHAH & CO.  
Company Secretaries

Sd/-  
[MUKESH H. SHAH]  
PROPRIETOR  
CP. No.: 2213, FCS No.: 5827  
Peer Review Certificate No.:- 690/2020  
UDIN : F005827E000783736

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

**ANNEXURE - II**

To the Members,  
**SAWACA BUSINESS MACHINES LIMITED**  
45, Chinubhai Tower,  
Opp. Handloom House, Ashram Road,  
Ahmedabad -380009

My secretarial audit report for the financial year 31st March, 2023 is to be read along with this letter.

**Management's Responsibility**

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.

**Auditor's Responsibility**

2. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibly of the management. Our examination was limited to the verification of the procedures on test basis. My Responsibility is to express an opinion on these secretarial records, standards and procedures followed by the company with respect to secretarial compliances.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that Audit evidence and information obtained from the company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, I have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

5. 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.
6. I have not verified the correctness and appropriateness of financial records and books of account of the company.

Place : Ahmedabad  
Date : 11.08.2023

For, MUKESH H. SHAH & CO.  
Company Secretaries

Sd/-  
[MUKESH H. SHAH]  
PROPRIETOR  
CP. No.: 2213, FCS No.: 5827  
Peer Review Certificate No.:- 690/2020  
UDIN : F005827E000783736

**ANNEXURE - III**  
**FORM NO. AOC-2**

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

S.N.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NA
b)	Nature of contracts/arrangements/transaction	NA
c)	Duration of the contracts/arrangements/transaction	NA
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
e)	Justification for entering into such contracts or arrangements or transactions'	NA
f)	Date of approval by the Board	NA
g)	Amount paid as advances, if any	NA
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

2. Details of contracts or arrangements or transactions at Arm's length basis.

S.N.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	Satish Shah Proprietor and NED
b)	Nature of contracts/arrangements/transaction	Rent
c)	Duration of the contracts/arrangements/transaction	1 year
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 240,000 /- PA
e)	Date of approval by the Board	13.04.2022
f)	Amount paid as advances, if any	NIL

Place : Ahmedabad  
Date : 12.08.2023

For and on behalf of the Board  
For, SAWACA BUSINESS MACHINES LIMITED

Sd/-  
[SHETAL SHAH]  
DIN: 02148909  
Managing Director



**REPORT ON CORPORATE GOVERNANCE****1. COMPANY'S PHILOSOPHY :**

Sawaca Business Machines Limited believes in adopting "best practices" followed in the area of Corporate Governance. The Company emphasis and aims in achieving highest standards in Corporate Governance by creating professional beliefs and values, timely disclosures, transparent accounting policies, responsibility and fairness in all its operations and business. Its endeavor is to maximize the long term value of the stakeholders of the Company and to protect the interests of its stakeholders.

The Company has made disclosures under this part as per the Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, (hereinafter referred as "Listing Regulations") which came into effect from December 1, 2015.

**2. BOARD OF DIRECTORS :**

The Board of Directors comprises of Four Directors as on March 31, 2023 out of which One is Executive Directors and Three Non-Executive Directors including two Independent Directors. The composition of the Board is in consonance with the provisions of the Companies Act, 2013 (the "Act") and Regulation 17(1) of the Listing Regulations.

Name of the Directors	Category	Designation
Mr. Shetal Shah	Executive Director	Chairman & Managing Director
Mr. Vishal Shah (upto 22.07.2022)	Non-Executive and Non-Independent Director	Director
Mr. Satish Shah w.e.f from 22.07.2022	Non-Executive and Non-Independent Director	Director
Mrs. Lila K. Agaja	Non-Executive and Independent Director	Director
Mr. Vijay Shah	Non-Executive and Independent Director	Director

**Note:**

- All the Independent Directors have, in terms of Section 149(7) of the Act given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) and Regulation 25 of the Listing Regulations. These declarations have been placed before the Board.

**The details of number of other Directorships and Memberships / Chairmanships of Committees in various Companies held by the Directors are given as under:**

Name of the Directors	Category	Number of other Directorships and Committee Memberships/Chairmanships			
		Other Directorships	Other Chairmanships	Other Committee Memberships	Other Committee Chairmanships
Mr. Shetal Shah	Executive Director	-	-	-	-
Mr. Vishal Shah Upto 22.07.2022	Non-Executive and Non-Independent Director	-	-	-	-
Mr. Satish Shah w.e.f 22.07.2022	Non-Executive and Non-Independent Director	-	-	-	-
Mrs. Leela K. Agaja	Non-Executive and Independent Director	-	-	-	-
Mr. Vijay Shah	Non-Executive and Independent Director	-	-	-	-

**Notes :**

- The number of other Directorships and Committee Memberships/Chairmanships excludes Directorships and Committee Memberships/Chairmanships held in the Company, private limited companies, foreign companies, companies registered under Section 25 of the Companies Act, 1956 or Section 8 of the Act. Further, it includes only the Memberships/Chairmanships of Audit Committee and Stakeholders Relationship Committee.

2. All the Directors meet the criterion laid down in the Act and the Listing Regulations, vis-à-vis, independence, number of directorship in other companies, Memberships/ Chairmanships of committees across all public companies in which he is a Director. Necessary disclosures in this respect as on March 31, 2023 have been made by the Directors.
3. Except for Mr. Shetal Shah and Mr. Satish Shah, who are related to each other as Father and Son, none of the other Directors are related to any other Director on the Board in terms of definition of 'relative' as per the Act.

#### Board Procedure & Board Meetings :

The annual calendar of meeting is agreed upon well in advance after consulting all the Directors. Board Meetings are held once in every quarter. In addition to this, Board Meetings are convened to transact special businesses, as and when necessary. The meetings are governed by a detailed agenda. All major issues included in the agenda are backed up by comprehensive background information to enable the Board to take informed decisions.

The agenda papers, containing detailed notes on various agenda items and other information, which would enable the Board to discharge its responsibilities effectively, are circulated in advance to the Directors. The Board is briefed on all the matters of the Company at its meeting.

#### Number of Board Meetings held and the dates on which they are held.

There were Four meetings of the Board of Directors held during the financial year ended on March 31, 2023, i.e., 13.04.2022, 07.05.2022, 30.05.2022, 22.07.2022, 14.11.2022 and 08.02.2023. The gap between the Board meetings was in compliance with the provisions contained in the Act, the Listing Regulations and the Secretarial Standard which are notified.

The details regarding the total Board Meeting held, attendance of each Director at the Board meetings and the last Annual General Meeting during the financial year ended on March 31, 2023 is given below:

Name of the Directors	Designation Meetings Held	No. of Board Meetings held	No. of Board Meetings attended	Attendance at Last AGM
Mr. Shetal Shah	Executive Director	6	6	YES
Mr. Vishal Shah upto 22.07.2022	Non-Executive and Non-Independent Director	3	3	NA
Mr. Satish Shah w.e.f 22.07.2022	Non-Executive and Non-Independent Director	2	2	YES
Mrs. Lila K. Agaja	Non-Executive and Independent Director	6	6	YES
Mr. Vijay Shah	Non-Executive and Independent Director	6	6	YES

#### BRIEF PROFILE OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT :

Pursuant to Regulation 36(3) of the Listing Regulations:

##### Mr. Shetal Shah - Chairman & Managing Director

Mr. Shetal Shah, aged about 48 years, is currently the Chairman and Managing Director of Sawaca Business Machines Limited. He was appointed as Managing Director of our Company on March 27, 2015. He is a Bachelor of Commerce degree from Gujarat University, Ahmedabad. His vision is to make Sawaca India's most admired Trading Company. He likes to focus on people, entrepreneurship and management quality. He would like to add value to the lives of people in the world through his business and to contribute to the society by creating opportunities for people in the fields of sports and culture.

The success of a visionary can only be realized through rightly placed operations. And that's exactly what Mr. Shetal Shah is. He has vast experience in various leadership roles across functions including Service Delivery, Presales, and Business Operations & Relationship Management. He played a pivotal role in redefining the strategic business plan that involved defining the Go-to-market strategy covering focus sectors, offerings, partners and regions. In his current role, He is responsible for leading strategic initiatives related to the markets and striking strategic engagements with key partners and large businesses.

He does not holds other Directorships held in the other Company, private limited companies, foreign companies, companies registered under Section 25 of the Companies Act, 1956 or Section 8 of the Act.

He is not holding Committee Memberships/ Chairmanships in any other companies.

He holds 355079 equity shares of the Company in his individual capacity as on March 31, 2023.

**Mr. Satish Shah – Non-Executive and Non-Independent Director :**

Mr. Satish Shah, aged about 71 years, holds a Bachelor of Commerce degree from Gujarat University, Ahmedabad. He was appointed as a Non-Executive and Non-Independent Director from July 22, 2022. He has around 33 years of experience in the Trading industry. He has expertise in finance, sales and marketing network across key international markets.

Sawaca has achieved significant milestones. Expansion into the regulated markets under his leadership. Apart from work, Satish likes to read books on entrepreneurship and management, is a car & technology freak, and holds a deep interest in old music and watching Movies .He is actively participate in Social Services.

He does not hold other Directorships held in the other Company, private limited companies, foreign companies, companies registered under Section 25 of the Companies Act, 1956 or Section 8 of the Act.

He is not holding Committee Memberships/ Chairmanships in any other companies.

He holds 355079 equity shares of the Company in his individual capacity as on March 31, 2023.

**Number of Shares and Convertible Instruments held by Non-Executive Directors**

There are no convertible instruments outstanding as at March 31, 2023. The details regarding the number of shares held directly by the Non-Executive Directors as on March 31, 2023 is given below:

Name of the Directors	Designation	No. of Equity Shares held as on March 31, 2023
Vijay C. Shah	Non-Executive and Independent Director	Nil
Leela K. Agaja	Non-Executive and Independent Director	Nil

**FAMILIARIZATION PROGRAMMES :**

Pursuant to Regulation 25(7) of the Listing Regulation, suitable training to Independent Directors was provided by the Company to familiarize them 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. The familiarization program was amended by the Company pursuant to Regulation 25(7) of the Listing Regulations by the Board of Directors in its meeting held on 08th February, 2023. Pursuant to Regulation 46(2) of the Listing Regulations, the above details are also available on the [www.sawacabusiness.com](http://www.sawacabusiness.com).

**SKILLS/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS**

Core skills/expertise/competence required by the Board (as identified by the Board) for efficient functioning of the Company in the present business environment and those skills/expertise/competence actually available with the Board are as follows:-

On the basis of the above-mentioned skill matrix, the skills which are currently available with the Board are as under:-

Name of Directors	Understanding of business industry	Critical and innovative thoughts	Strategy and Strategic planning	Financial understanding	Market understanding	Risk and compliance oversight
Mr. Shetal Shah	✓	✓	✓	✓	✓	✓
Mr. Satish Shah	✓	✓	✓	✓	✓	✓
Mrs. Lila K. Agaja	✓	✓	✓	✓	✓	✓
Mr. Vijay Shah	✓	✓	✓	✓	✓	✓

**BOARD INDEPENDENCE**

Four Directors out of two Directors of the Company are Independent Directors as per the criteria specified in the Listing Regulations and the Companies Act, 2013 (As amended). All Independent Directors make annual disclosure of their Independence to the Company. None of the Independent Directors has any material pecuniary relationship or transactions with the Company or its subsidiaries, apart from receiving sitting fee and commission as an Independent Director. Further, no Independent Director has resigned before the expiry of the tenure during the year. In opinion of the Board of Director of the Company, the Independent Directors fulfill the conditions specified in Listing Regulations and are independent of the Management.

**3. COMMITTEES OF THE BOARD:**

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of diverse matters. The Board Committees

are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review.

**(a) Audit Committee :**

Apart from all the matters provided in 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 177 of the Companies Act 2013, the Audit committee reviews reports of the internal auditor, meets statutory auditors as and when required and discusses their findings, suggestions, observations and other related matters. It also reviews major accounting policies followed by the company. The Chief Financial Officer, representatives of Statutory Auditors, Internal Auditor and Finance & Accounts department are invited to the meetings of the Audit Committee.

**Composition and Attendance:**

The Audit Committee comprises of three (3) Directors and Two are Non-Executive and Independent Directors and One director is Non-Executive and Non-Independent Director. The Chairman of the Audit Committee is a Non-Executive and Independent Director. The Constitution of the Committee meets the requirements of Section 177 of the Companies Act, 2013 as well as Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Statutory Auditors and Internal Auditors attend the meetings by invitation. Mr. Vijay C. Shah, Chairman of the Audit Committee was present at the last Annual General Meeting of the Company.

During the year the Audit Committee met 5 times on 13.04.2022, 07.05.2022, 22.07.2022, 14.11.2022 and 08.02.2023 and attendance of the members as under:

Name of the Director	Designation	Category	No. of Meeting attended	
			Held	Attended
Mr. Vijay C. Shah	Chairman	Non-Executive & Independent Director	5	5
Mrs. Lila K. Agaja	Member	Non-Executive & Independent Director	5	5
Mr. Vishal S. Shah upto 22.07.2022	Member	Non-Executive & Non-Independent Director	2	2
Mr. Satish Shah w.e.f 22.07.2022	Member	Non-Executive & Non-Independent Director	3	3

The Committee is authorised by the Board of Directors in the manner as envisaged under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as under Section 177 of the Companies Act, 2013. The Committee has been assigned task as listed under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee reviews the information as listed under Regulation 18(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as under Section 177 of the Companies Act, 2013.

Apart from all the matters provided in 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 177 of the Companies Act 2013, the Audit committee reviews reports of the internal auditor, meets statutory auditors as and when required and discusses their findings, suggestions, observations and other related matters. It also reviews major accounting policies followed by the company. The Chief Financial Officer, representatives of Statutory Auditors, Internal Auditor and Finance & Accounts department are invited to the meetings of the Audit Committee.

**The scope of the Audit Committee includes:**

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of statutory auditor and fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing with management the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub section 3 of Section 134 of the Companies Act, 2013,

- b) Changes, if any, in accounting policies and practices and reasons for the same,
  - c) Major accounting entries involving estimates based on the exercise of judgment by management,
  - d) Significant adjustments made in the financial statements arising out of audit findings,
  - e) Compliance with listing and other legal requirements relating to financial statements,
  - f) Disclosure of any related party transactions,
  - g) Modified opinion(s) in the draft audit report
5. Reviewing with the management, the quarterly financial statements before its submission to the Board for approval;
  6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
  7. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
  8. Approval of any subsequent modification of transactions of the Company with related parties
  9. Scrutiny of inter-corporate loans and investments;
  10. Valuation of undertakings or assets of the Company, wherever it is necessary;
  11. Evaluation of internal financial controls and risk management systems;
  12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  14. Discussion with internal auditors, any significant findings and follow up thereon;
  15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
  16. Discussion with statutory auditors before the audit commences, about nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  18. To review the functioning of the Whistle Blower mechanism;
  19. Approval of appointment of CFO (i.e., the Whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
  20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

In addition to the areas noted above, Audit Committee looks into controls and security of the Company's internal control systems and internal audit reports.

The Committee Meetings were also attended by Internal Auditors, Statutory Auditors and Company Secretary who also acted as Secretary of the Committee.

A certificate from the Managing Director on the standalone financial statements and other matters of the Company for the financial year ended March 31, 2023 is also appended at the end of this Report.

The Chairman of the Audit Committee was present in the last Annual General Meeting to answer the shareholders' queries.

**(b) NOMINATION AND REMUNERATION COMMITTEE:**

The nomination & remuneration committee for appointment and remuneration of executive directors was constituted and consists of Non-executive Independent Directors and Non-executive and Non-independent which evaluates and finalizes among other things, compensation and benefits of the Executive Directors.

The Constitution of the Committee meets the requirements of Section 178 of the Companies Act, 2013 as well as Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Composition and Attendance at the Nomination and Remuneration Committee Meetings:**

During the financial year, 3(Three) Nomination and Remuneration Committee Meetings were held as 07.05.2022, 22.07.2022 and 14.11.2022. The Committee reviews the information as listed under Regulation 19(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as under Section 178 of the Companies Act, 2013.

Name of the Director	Designation	Category	No. of Meeting attended	
			Held	Attended
Mr. Vijay C. Shah	Chairman	Non-Executive & Independent Director	3	3
Mrs. Lila K. Agaja	Member	Non-Executive & Independent Director	3	3
Mr. Vishal S. Shah upto 22.07.2022	Member	Non-Executive & Non- Independent Director	1	1
Mr. Satish Shah w.e.f 22.07.2022	Member	Non-Executive & Non- Independent Director	2	2

**Terms of Reference:**

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and removal;
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration for the Directors, key managerial personnel and other employees;
- To formulate the criteria for evaluation of Independent Directors and the Board;
- To devise a policy on Board Diversity;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director.
- The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - use the services of an external agencies, if required;
  - consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - consider the time commitments of the candidates; devising the policy on Board diversity; whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- The members of Nomination and Remuneration Committee need to recommend to the Board, all remuneration, in whatever form, payable to Senior Management
- The Nomination and Remuneration Policy is available on your Company's website : ([www.sawacabusiness.com](http://www.sawacabusiness.com))

**REMUNERATION OF DIRECTORS:**

**Remuneration Policy:**

The Objective of Remuneration Policy is directed towards having the compensation structure that will reward and retain the talent.

The Company has adopted and implemented the provision of Section 178 of the Companies Act, 2013 on the requirement of the Committee to recommend to the Board a policy, relating to the remuneration of the Directors, Key management personnel and Senior Management.

The remuneration payable to Directors, Key Managerial Personnel and Senior Management Person will involve a balance between fixed and incentive pay reflecting short term and long term performance objectives appropriate to the working of the Company and its goal.

The remuneration levels are governed by industry pattern, qualification and experience of employee, responsibilities shouldered, individual performance and Company performance.

Mr. Vishal Shah (upto 22.07.2022) & Mr. Satish Shah (w.e.f 22.07.2022) Non-Executive Directors have pecuniary relationship or transaction with the Company. Company is not giving sitting fees for attending Meetings. The Company does not pay any severance fee and no stock option is available to the directors.

**(i) Disclosures with respect to Remuneration :**

The aggregate value of salary, perquisites, commissions, Performance incentive & Sitting fees paid for the year 2022-23 to all the Directors are as follows.

(Rs. in lacs)

Name of Directors	Status Category	Sittings fees					Remuneration	Total
		BM	AC	SGRC	NRC	IDM	Fixed Salary	
Shetal Shah	ED	-	-	-	-	-	6.60	6.60
Vishal Shah upto 22.07.22	NED	-	-	-	-	-	1.05	1.05
Satish Shah w.e.f 22.07.22	NED	-	-	-	-	-	-	-
Vijay Shah	NED & ID	-	-	-	-	-	-	-
Leela K. Agaja	NED& ID	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	<b>7.65</b>	<b>7.65</b>	

**Notes:** BM- Board Meeting, AC- Audit Committee Meeting, SGRC- Shareholders Grievance and Relationship Committee Meeting, NRC- Nomination and Remuneration Committee Meeting. IDM- Independent Director Meeting. Fixed Salary includes Salary, Perks & Retirement Benefits.

**(c) STAKEHOLDERS' GRIEVANCES AND RELATIONSHIP COMMITTEE:**

**Composition and Attendance :**

The Stakeholders Relationship Committee met four times during the financial year ended on March 31, 2023, i.e. 07.05.2022, 22.07.2022, 14.11.2022, and 08.02.2023.

The details of composition of the Stakeholders Relationship Committee as well as the particulars of attendance by its members at the Stakeholders Relationship Committee meetings during the year are given below:

Name of the Director	Designation	Category	No. of Meeting attended	
			Held	Attended
Vijay C. Shah	Non-Executive & Independent Director	Chairman	4	4
Lila K. Agaja	Non-Executive & Independent Director	Member	4	4
Vishal S. Shah upto 22.07.22	Non-Executive & Non- Independent Director	Member	1	1
Satish Shah w.e.f 22.07.22	Non-Executive & Non- Independent Director	Member	2	2

**Compliance Officer :**

Mr. Saurabh Shah Secretary & Compliance Officer.

**Details of Complaints during the year 2022-23.**

No.	Nature of Complaints	Received	Disposed	Pending
1.	Non-receipt of annual report	NIL	NIL	NIL
2.	SCORES (SEBI)	NIL	NIL	NIL
	<b>TOTAL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

**(d) EXECUTIVE COMMITTEE**

Executive Committee comprises of three members namely; Mr. Shetal Shah, Mr. Vijay Shah and Mrs. Lila Agaja. The Committee looks after the businesses, which are administrative in nature and within the overall board approved directions and framework. The Committee also performs other activities as per the terms of reference of the Board. During the year, Executive Committee meets as per the business and administrative requirements.

**4. INDEPENDENT DIRECTOR'S MEETING :**

During the year, a separate meeting of the Independent Directors was held on February 08, 2023, inter alia, to discuss:

- Evaluation of the performance of Non Independent Directors and the Board as a whole;
- Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary to effectively and reasonably perform their duties.

All the Independent Directors were present at the Meeting

**5. GENERAL BODY MEETINGS :**

All the Independent Directors were present at the Meeting

Year	Date/Time	Venue	Special Resolution
2021-22	August 25, 2022 01.00 noon	Video Conferencing (VC) / Other Audio Visual Means (OAVM) (Deemed venue: 45, Chinubhai Tower, Opp. Handloom House, Ashram Road, Ahmedabad-380009, Gujarat, India	1. To ratify / approve the material related party transactions. 2. To Alteration/Insertion of New Paragraph to the Main Object of the Company and consequent amendment to Clause III of the Memorandum of Association of the Company
2020-21	September 29, 2021 12.00 noon	Video Conferencing (VC) / Other Audio Visual Means (OAVM) (Deemed venue: 45, Chinubhai Tower, Opp. Handloom House, Ashram Road, Ahmedabad-380009, Gujarat, India	1. To ratify / approve the material related party transactions. 2. To appoint Mr. Vijay Shah as an independent director for another term of five years
2019-20	September 30, 2020 12.00 noon	Through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) (Deemed venue: 45, Chinubhai Tower, Opp. Handloom House, Ashram Road, Ahmedabad-380009, India.)	1. To ratify / approve the material related party transactions. 2. To appoint Mrs. Lilaben Kishor Bhai Agaja as an independent director for another term of five years 3. Re-Appointment of Mr. Shetal Satish Shah [DIN: 02148909] as a Managing Director of the Company.

**6. MEANS OF COMMUNICATION :****Results :**

The quarterly, half-yearly and yearly unaudited/ audited financial results of the Company were published as per Regulation 33 of the Listing Regulations coming into effect from December 1, 2015. The unaudited / audited financial results are generally published in Western Times – English circulating in whole of Gujarat and Western Times – Gujarati (i.e. daily newspaper published in the language of the region where the registered office of the company is situated.).

**7. GENERAL SHAREHOLDERS INFORMATION :**

Date of Incorporation of the Company	20th day of December, 1994
Financial year	April 1, 2022 to March 31, 2023
Day, date and time of AGM	Friday 29th September, 2023
Venue of Annual General Meeting	Shree Balaji Agora mall, 200 ft S. P. Ring Road, Between Tapovan & Bhat Circle, Motera, Ahmedabad-382424
Cut-off date of AGM	22nd September, 2023



**Name and Address of Stock Exchange where shares are listed :**

**BSE Limited**, P. J. Towers, Dalal Street, Mumbai – 400 001.

**Annual Listing Fees :**

The listing fee for the financial year 2022-23 has been paid to the BSE Limited.

**Stock Code :**

- (a) Scrip code BSE Limited : 531893  
 Scrip ID BSE Limited : SAWACA  
 (b) Demat ISIN Numbers in NSDL & CDSL for Equity Shares : INE248B01023

**Monthly high / low stock quotations at BSE Limited for the Financial Year 2022-23**

Month	High Price (Rs)	Low Price (Rs)
April, 2022	1.74	1.23
May, 2022	1.66	1.7
June, 2022	2.49	1.27
July, 2022	2	1.39
August, 2022	1.98	1.44
September, 2022	1.77	1.3
October, 2022	1.56	1.29
November, 2022	1.28	1.15
December, 2022	1.5	1.06
January, 2023	1.22	0.97
February, 2023	1.08	0.88
March, 2023	0.96	0.78

**Note:-**

- Total Equity Share Capital of the Company as on March 31, 2023 was 114409900 equity shares of Rs. 1/- each.
- The Above data is compiled from BSE where the Company was listed during the period under review.
- The Figures of April, 2022 and May, 2022 are post Split and Bonus adjusted figures i.e. the effect Sub-Dividing Face Value of Rs.10/- into Rs.1/- and Bonus Issue in ratio of 10:100 i.e Ten Equity Shares for every Hundred Equity Shares held on Record Date, is given to High and Low price.

**Registrar and Transfer Agents :**

Members are requested to correspond with the Company's Registrar and Transfer Agents for all matters related to share transfers, dematerialization, complaints for non-receipt of refund order/dividends etc. at the following address:

**M/s. Bigshare Services Private Limited**

A-802 Samudra Complex, Near Klassic Gold Hotel,  
 Off. C. G. Road, Ahmedabad-380009, Gujarat, INDIA  
 Phone No.: 079-40024135  
 Email: [bssahd@bigshareonline.com](mailto:bssahd@bigshareonline.com)  
 Website: [www.bigshareonline.com](http://www.bigshareonline.com)

**Share transfer system :**

The Company has a Registrar and Share Transfer Agent. Share transfers, if documents are found to be in order, are registered and Certificates are returned in the normal course within two weeks from the date of receipt of the documents. Request for dematerialization of shares are processed and confirmation given to the respective depositories i.e., National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited(CDSL) within seven days.

**Distribution of shareholding as on March 31, 2023**

No. of Equity Shares	No. of members	% of total members	No. of shares	% to total capital
Less than 5000	29029	89.2706	20766986	18.1514
5001-10000	1526	4.6928	10842916	9.4773
10001-20000	1064	3.2720	13997451	12.2345
20001-30000	354	1.0886	8508188	7.4366
30001-40000	153	0.4705	5306130	4.6378
40001-50000	84	0.2583	3886049	3.3966
50001-100000	191	0.5874	13080073	11.4326
100001 and above	117	0.3598	38022107	33.2332
<b>Total</b>	<b>32518</b>	<b>100</b>	<b>114409900</b>	<b>100</b>

**Shareholding Pattern as on March 31, 2023**

Category	No. of shares held	% of shareholding
Company Promoter / Promoter Group	4696777	04.11
Financial Institutions / Banks	0	0
Foreign Portfolio Investors	0	0
Bodies Corporate	3365967	2.94
Individuals	103851554	90.76
Non-Resident Indians (Repat)	477019	0.42
Non Resident Indians (Non- Repat)	0	0
Clearing Members	372633	0.33
Mutual Funds	0	0
Trusts	0	0
Hindu Undivided Family	1645950	1.44
Partnership Firm	0	0
<b>Total</b>	<b>114409900</b>	<b>100</b>

**RECOMMENDATION TO GET THE SHARES DEMATERIALIZED**

The trading in the Company's equity shares is compulsorily in dematerialized mode. The Company has tied up with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). Thus the investors can exercise dematerialization and transfer actions through a recognized Depository Participant (DP) who is connected to NSDL or CDSL. We strongly recommend all the members holding shares in physical form to promptly get their shares dematerialized.

**OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY**

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

**PROCEEDS FROM PUBLIC ISSUE/RIGHTS ISSUE/PREFERENTIAL ISSUE/WARRANT CONVERSION**

During the financial year, the Company has not raised any fund through Public Issue/ Rights Issue/Preferential Issue/Warrant Conversion.

**CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING**

The Company has adopted the Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders in accordance with the requirement of SEBI (Prohibition of Insider Trading) Regulations, 2015 and Companies Act, 2013.

**DISCLOSURE OF ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENT**

Your Company has followed all relevant Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) while preparing Financial Statements.

**Address for Correspondence :****For Shares held in physical & Demat form****M/s. Bigshare Services Private Limited**

A-802 Samudra Complex, Near Klassic Gold Hotel,

Off. C. G. Road, Ahmedabad – 380009,

Gujarat, INDIA.

Phone No.: 079-40024135

Email : [bssahd@bigshareonline.com](mailto:bssahd@bigshareonline.com)

Website : [www.bigshareonline.com](http://www.bigshareonline.com)

**8. DISCLOSURES :**

Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large. Material significant related party transactions are disclosed in the “Notes forming part of the Financial Statements”.

None of the transactions with Related Parties were in conflict with the interest of the Company. All the transactions are in the ordinary course of business and have no potential conflict with the interest of the Company at large.

**Disclosure of Accounting Treatment**

In preparation of Financial Statements, the Company has followed Accounting Standards as referred to in Section 133 of the Act and rules made thereunder. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

**Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:**

There was no penalty imposed on the company during the financial year.

**Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee:**

The Company has implemented a Whistle Blower Policy covering the employees. The Policy enables the employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's code of Conduct. Employees can lodge their Complaints through anonymous e-mails besides usual means of communications like written complaints. No personnel have been denied access to the Audit Committee.

**Policy for Determining Material Subsidiaries:**

The Company is not having any subsidiary Company; however, the Company has formulated the Policy for determining ‘Material Subsidiaries’ which has been put up on the website of the Company at [www.sawacabusiness.com](http://www.sawacabusiness.com).

**Policy on dealing with Related Party Transactions:**

The Company has formulated the Policy on dealing with Related Party Transactions which has been put up on the website of the Company at [www.sawacabusiness.com](http://www.sawacabusiness.com).

**Commodity price risk or foreign exchange risk and hedging activities:**

The Company does not have any exposure of foreign exchange and hedged through Commodity derivatives.

**Certificate from Practicing Company Secretary:**

A certificate from Shri Mukesh H. Shah, Practicing Company Secretary is attached and forms part of this report certifying that none of the directors of the Company have been debarred or disqualified from being appointed or continuing as director of company, by the SEBI or Ministry of Corporate Affairs or any such statutory authority.

**Total fee paid to Statutory Auditors:**

Total fees paid by the Company for the services rendered by the statutory auditor and to all the entities in network firm/network entity belonging to them, is Rs. 60000/- (includes Audit fees and certification / other services).

**Confirmation by the Board of Directors' Acceptance of Recommendation of Mandatory Committees:**

During the year, there were no such instances of non-acceptance by the Board of any mandatory recommendations made by the Committees.

**Details of utilization of funds raised through preferential allotment or qualified institutions placement:**  
During the year, there were no funds raised through preferential allotment or qualified institutions placement.

**Disclosure pertaining to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The details of the complaints pertaining to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are as under:-

S.N.	Particulars	No. of Complaints
1.	Number of complaints filed during the financial year 2022-23	NIL
2.	Number of complaints disposed of during the financial year 2022-23	NIL
3.	Number of complaints pending as at end of the financial year 2022-23	NIL

**Disclosures of the Compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Sub-regulation (2) of Regulation 46 are as follows:**

Regulation	Particulars of Regulations	Compliance Status (Yes/No)
17	Board of Directors	Yes
17A	Maximum number of directorships	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	NA
22	Vigil mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	NA
24A	Secretarial Audit	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (l)	Website (Updation)	Yes

**CEO / CFO Certification:**

In terms of Regulation 17(8) read with Part B of Schedule II of the Listing Regulations, the Managing Director and the Chief Finance Officer of the Company is required to issue annual certification on financial reporting and internal controls to the Board. The certificate for financial year 2022-23 given by the Managing Director and the Chief Finance Officer is annexed to this Report.

**Details of compliance with Adoption of Mandatory and Discretionary Requirement as per Schedule II Part E of SEBI Listing Regulation:**

The Company has complied with all mandatory requirements of Regulation 34(3) read with Schedule V of the Listing Regulations. Disclosure of Compliance of Non-mandatory requirements as specified in Part E of the Schedule II of Listing Regulations are as under:-

**The Board:** Since the Company has an Executive Chairman on its Board, there is no requirement for maintaining separate office.

**Shareholder's Right:** Half yearly financial results including summary of the significant events are presently not being sent to shareholders of the Company. However quarterly financial results are published in the leading newspapers and are also available on the website of the Company.

**Audit Qualification:** There is an unmodified opinion on Audit Report of Audited Standalone Financial Results ended on 31st March 2023.

**Separate Post of Chairman and CEO:** Mr. Shetal Shah, Chairman and Managing Director of the Company also act as CEO of the Company.

**Reporting of Internal Auditor:** The Company's Internal Auditor, reports directly to the Audit Committee.

**Any Query on Annual Report:**

**Sawaca Business Machines Limited**

Secretarial Department,

45, Chinubhai Tower, Opp. Handloom House,

Ashram Road, Ahmedabad-380009.

Tel.:- 079-40024135

Website: [www.sawacabusiness.com](http://www.sawacabusiness.com)

CIN: L65910GJ1994PLC023926

For any other queries: Email: [investor.grievance.sawaca@gmail.com](mailto:investor.grievance.sawaca@gmail.com)

**PLACE : Ahmedabad**

**DATE : 12.08.2023**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
For, SAWACA BUSINESS MACHINES LIMITED**

**Sd/-  
[SHETAL SHAH]  
DIN: 02148909  
Managing Director & Chairmen**

**COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE UNDER REGULATION 34 READ WITH SCHEDULE V, PARA E OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

THE MEMBERS OF  
**SAWACA BUSINESS MACHINES LIMITED**  
AHMEDABAD.

We have examined the compliance of conditions of Corporate Governance by Sawaca Business Machines Limited (“the Company”) for the year ended on 31st March, 2023, as stipulated in chapter IV of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

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 compliance with the conditions of 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 Corporate Governance as specified in chapter IV of the Listing Regulations.

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.

**Place : Ahmedabad**  
**Date : 16.08.2023**

**For, MUKESH H. SHAH & CO.**  
**Company Secretaries**

**Sd/-**  
**MUKESH H. SHAH**  
**PROPRIETOR**  
**CP. NO. 2213 FCS NO.: 5827**  
**UDIN NO: F005827E000807914**

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**DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT UNDER REGULATION 26(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

Pursuant to Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange, all the Board Members and the Senior Management Group have confirmed compliance with the Code of Conduct of Sawaca Business Machines Limited for the financial year ended on March 31, 2023.

**Place : Ahmedabad**  
**Date : 12.08.2023**

**For Sawaca Business Machines Limited**

**Sd/-**  
**Shetal Shah**  
**Managing Director**  
**(DIN:02148909)**

**CEO / CFO Certification**

To,  
The Board of Directors,  
**Sawaca Business Machines Limited.**  
Ahmedabad.

We hereby certify to the Board that:

- A. We have reviewed financial statements and the cash flow statement for the financial year ended on March 31, 2023 and that to the best of our knowledge and belief:
1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. 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 financial year which are fraudulent, illegal or volatile of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit committee:
1. Significant changes in internal control over financial reporting during the financial year;
  2. Significant changes in accounting policies during the financial year and that the same have been disclosed in the notes to the financial statements; and
  3. Instances of significant fraud of which we have 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 : Ahmedabad**  
**Date : 12.08.2023**

**For Sawaca Business Machines Limited**

**Sd/-**  
**Shetal Shah**  
**Managing Director**  
**(DIN: 02148909)**

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

To,  
The Members of  
**SAWACA BUSINESS MACHINES LIMITED**  
45, Chinubhai Tower, Opp. Handloom House,  
Ashram Road, Ahmedabad -380009

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Sawaca Business Machines Limited having CIN: L74110GJ1994PLC023926 and having registered office at 45, Chinubhai Tower, Opp. Handloom House, Ashram Road, Ahmedabad -380009 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S.N.	Name of Director	DIN	Date of appointment in Company
1	Vishal Satishkumar Shah (Cessation w.e.f.22/07/2022)	02148899	20/05/2009
2	Shetal Satishkumar Shah	02148909	10/03/2010
3	Satish Ramanlal Shah	05103862	22/07/2022
4	Lilaben Kishorbhai Agaja	07124191	27/03/2015
5	Vijay Chhotalal Shah	07445515	26/02/2016

*\*the date of appointment is as per the MCA Portal.*

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

Place : Ahmedabad  
Date : 11.08.2023

For, MUKESH H. SHAH & CO.  
Company Secretaries

Sd/-  
**MUKESH H. SHAH**  
**PROPRIETOR**  
CP. NO. 2213 FCS NO.: 5827  
UDIN NO: F005827E000783747



**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Your Directors have pleasure in presenting the management discussion and analysis report for the year ended on March 31, 2023.

**1. INDUSTRY STRUCTURE, DEVELOPMENT:**

During the period under the review, the Company had been operating in the Business of Trading. The main products for Trading include Various Perfumery Chemicals.

The performance of company is positive during the entire FY 2022-23. The year gone by saw high inflation, rising cost of imported fuel, moderating economy and a volatile political environment, which contributed to the challenging market environment. The GDP of Indian Economy has shown estimated growth of around 6.5% during the year 2022-23.

**2. OPPORTUNITIES & THREATS:**

The Government is committed to encourage the healthy growth of Capital Market for development of the Economy. While the government seems committed to reforms to address the challenges, political compromises and high populist spending in an election year will mean that tough decisions are more likely to be deferred. However, steps by RBI to stabilize the exchange rate by reducing liquidity support to the banking system will create a challenging environment for investments.

**3. SEGMENT-WISE PERFORMANCE:**

The Company's main business activity is trading of Perfumery & Organic Chemicals, Textile and information Technology Consulting & Support service during the year under review the Company has also invested in started business of matrimony website in the name of nextgenshaadi.com

**4. OUTLOOK:**

The Company continues to explore the possibilities of expansion and will make the necessary investments when attractive opportunities arise.

**5. RISK & CONCERNS:**

The Company is exposed to specific risks that are particular to its business, including interest rate volatility, economic cycle, market risk and credit risk. The management continuously assesses the risks and monitors the business and risk management policies to minimize the risk.

**6. INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY:**

The Company's operating and business control procedures ensure efficient use of resources and comply with the procedures and regulatory requirements. There are adequate internal controls to safeguard the assets and protect them against losses from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly.

The Audit Committee periodically reviews the internal controls systems and reports their observations to the Board of Directors.

The Directors have appointed Mr. Shridhar Shah of M/s. Shridhar Shah & Co, Chartered Accountants as the Internal Auditors of the Company for the FY 22-23 on 29.05.2023

**7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

The Company's total revenue from operations during the financial year ended 31st March, 2023 were Rs. 364.72 Lacs as against Rs. 382.02 Lacs of the previous year representing decrease of approximately about 4.53% over the corresponding period of the previous year with total expenses of Rs. 305.08 lacs (previous year of Rs.326.44 lacs). The Company has made Net Profit of Rs. 54.47 Lacs as against Rs. 40.62 Lacs of the previous year after considering Depreciation and Provision for Tax and other adjustments representing an increase of approximately about 34.34% over the corresponding period of the previous year.

The EPS of the Company for the year 2022-23 is Rs. 0.48

**8. HUMAN RESOURCE DEVELOPMENT:**

The Company believes that the human resources are vital in giving the Company a Competitive edge in the current business environment. The Company's philosophy is to provide congenial work environment, performance oriented work culture, knowledge acquisition / dissemination, creativity and responsibility. As in the past, the Company has enjoyed cordial relations with the employees at all levels.

The Company continues to run an in-house training programme held at regular intervals and aimed at updating their knowledge about issues.

**9. ACCOUNTING POLICIES:**

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year. The financial statements have been prepared under the historical cost convention on an accrual basis. The management accepts responsibility for the integrity and objectivity of the financial statements, as well as for the various estimates and judgment used therein

**10. DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS:**

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022	% change from March 31, 2021 to March 31, 2023	Reasons for % change from March 31, 2021 to March 31, 2023
1.	Current ratio	0.83	1.11	35.49%	The Change is due to high recovery from debtor in FY 22-23
2.	Debt- Equity Ratio	0.02	0.03	27.91%	The change is due to issue of bonus share if FY 22-23
3.	Debt Service Coverage ratio	2.10	1.60	-23.93%	-
4.	Return on Equity ratio	0.04	0.03	-23.94%	-
5.	Inventory Turnover ratio	-	-	0.00%	-
6.	Trade Receivable Turnover Ratio	1.40	1.73	23.05%	There is detorioration in Trade receivable turnover ratio as the sales is in last quater of the year and has not been converted into cash.
7.	Trade Payable Turnover Ratio	1.17	1.63	39.22%	The change is mainly due to payment to creditors
8.	Net Capital Turnover Ratio	86.11	17.48	-79.70%	There is decrease in net capital turnover ratio due to decrease in average working capital during the year.
9.	Net Profit ratio	0.15	0.14	-7.28%	There is increase in net profit ratio on account of increase in net profit after taxes, which in turn is due to increase in revenue from new segement of the company.
10.	Return on Capital Employed	0.05	0.05	-4.41%	There is improvement in return on capital employed on account of increase in capital employed which is due to net profit after tax during the year.

**11. DISCLOSURE OF ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENT:**

The Company has followed all relevant Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) while preparing Financial Statements.

**12. CAUTIONERY STATEMENT:**

Statements in this report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.

PLACE : AHMEDABAD  
DATE : 12.08.2023

For and on behalf of the Board  
For, SAWACA BUSINESS MACHINE LIMITED

Sd/-  
[SHETAL SHAH]  
DIN: 02148909  
Managing Director

**INDEPENDENT AUDITORS' REPORT****TO THE MEMBERS OF SAWACA BUSINESS MACHINES LIMITED****Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the accompanying standalone Ind AS financial statements of **Sawaca Business Machines Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended, and summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31 March 2023, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

**Basis of Opinion**

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibility under those Standards is further described in Auditor's Responsibility for the Audit of the standalone financial statements section of our report. We are independent of the company in accordance with the code of ethics issued by ICAI together with the independence requirement that is relevant to our audit of standalone financial statements under the provisions of the Act and the rule made there, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit, of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion, on these matters. We have determined that there are no key audit matters to be communicated in our report.

**Other Information**

The company's management and board of directors are responsible for the other information. The other information comprises the information included in the Annual report including Board's Report on corporate governance and Business Responsibility report but does not include the standalone financial statement and our auditor's report thereon.

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

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

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

**Management's Responsibility for the Standalone 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 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs, Profit (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian 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 standalone 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 financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

The Board of directors is also responsible for overseeing the company's financial reporting process.

### Auditor's Responsibility

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

As a 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 risk of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedure responsive to those risks, and obtain 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 the one resulting from error, as fraud may involve collusion, forgery, intentional, omission, misrepresentation, or the override of internal control.
- Obtain an understanding of internal financial 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 an adequate internal financial control 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information which to the best of our knowledge and belief was 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 it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. There is no pending litigation on the company therefore the same is not required to be disclosed.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv.
    - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
  - v. The Company has neither declared nor paid any dividend during the year.
  - vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

Date : 29/05/2023  
Place : Ahmedabad  
UDIN : 23133926BGWETC1216

For M A A K & Associates  
(Chartered Accountants)  
FRN : 135024W

SD/-  
Marmik Shah  
Partner  
M. No.: 133926

**Annexure A to the Independent Auditors' Report of Sawaca Business Machines Limited  
(Referred to in our report of even date)**

With reference to Annexure A referred to in the Independent Auditors' report to the members of the Company on the standalone Ind AS financial statements for the year ended 31st March 2023, we report the following:

**I. In Respect of Fixed Assets**

- (a) As per the information provided by the management, the Company has maintained proper records showing full particulars including quantitative details and the situation of Fixed Assets on the basis of available information.
- (b) As per the information and explanations given to us, the management at reasonable intervals during the year in accordance with a programme of physical verification has physically verified the fixed assets and no material discrepancies were noticed on such verification as compared to the available records.
- (c) The Company does not hold immovable property. Therefore, the provisions of Clause 3(i) (c) of the said Order are not applicable to the Company.
- (d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year, the clause for revaluation of Property, Plant and Equipment (including Right of Use assets) or intangible assets or both is not applicable.
- (e) No proceedings have been initiated or are pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.

**II. In Respect of Inventories**

As explained to us, physical verification of the inventories has been conducted at reasonable intervals by the management, which in our opinion is reasonable, having regard to the size of the Company and nature of its inventories. No material discrepancies were noticed on such physical verification.

At any point time of the year, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, the point of reconciliation of books of accounts and quarterly returns or statements filed with the banks is not applicable to the company.

**III. Compliance under section 189 of The Companies Act, 2013**

- (a) As informed, the company has granted loans or advances, secured or unsecured to companies, firms or other parties, details of which are given below:

		Loans	Advances in nature of loans	Guarantees	Security
A.	Aggregate amount granted/provided during the year				
	-Subsidiaries				
	-Others	3,60,20,123			
B.	Balance outstanding as at balance sheet date in respect of above cases:				
	- Subsidiaries				
	- Others	12,95,91,744			

- (b) In our opinion and according to the information and explanations given to us. The rate of interest and other terms and conditions for such loans are not prima facie prejudicial to the interest to the company.
- (c) In respect of loans granted, repayment of the principal amount is as stipulated and payment of interest has been regular.
- (d) There are no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the companies Act, 2013.
- (e) During the year the company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity and,
- (f) The Company has not granted loans or advances in the nature of loans which are repayable on demand

or without specifying any terms or period of repayment to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013.

**IV. Compliance under sections 185 and 186 of The Companies Act, 2013**

According to the information and explanations given to us, the Company has complied with provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments, and providing guarantees and securities, as applicable.

**V. Compliance under section 73 to 76 of The Companies Act, 2013 and Rules framed thereunder while accepting Deposits**

As per the information and explanation given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

**VI. Maintenance of cost records**

The Company is not required to maintain cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.

**VII. Deposit of Statutory Dues**

(a) The company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax and wealth tax, service tax, customs duty, excise duty, GST, Cess and other statutory dues applicable to the Company with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

(b) As informed to us by the management, there is no dispute with the revenue authorities regarding any duty or tax payable.

(c) According to the records of the Company, no dues are outstanding of employees' state insurance, income-tax, sales-tax, duty of custom, duty of excise, Cess and other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.

**VIII. Unrecorded income disclosed in tax assessments**

There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

**IX. Repayment of Loans and Borrowings**

According to the information and explanation given to us, the company has not defaulted in repayment of dues to financial institutions, banks or debenture holders. The Company did not have any outstanding debentures during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

**X. Utilization of Money Raised by Public Offers for which they raised**

(a) The Company has not raised money by way of an initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

**XI. Reporting of Fraud during the Year**

(a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) As represented to us by the Management, there were no whistleblower complaints received by the Company during the year.

**XII. Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio**

As per information and records available, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

**XIII. Related party compliance with Section 177 and 188 of companies Act – 2013**

According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

**XIV. Internal Audit Systems**

- (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

**XV. Non-cash transactions**

According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Companies Act, 2013.

**XVI. Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934**

- (a) As per the information and explanation given to us, the company has made business plan deploy the funds by withdrawing the temporary loans and advances as the main area of business of the company is not loans and investments, therefore the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clauses 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies(Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

**XVII. Cash Losses**

The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

**XVIII. Resignation of Statutory Auditor**

There has been no resignation of the statutory auditors of the Company during the year.

**XIX. Material Uncertainty**

On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

**XX. Unspent CSR expenditure**

The company has no obligation to spend under corporate social responsibility. So, reporting under clause (xx) of the order is not applicable for the year.

Date : 29/05/2023  
Place : Ahmedabad  
UDIN : 23133926BGWETC1216

For M A A K & Associates  
(Chartered Accountants)  
FRN : 135024W

SD/-  
Marmik Shah  
Partner  
M. No.: 133926

**Annexure B to the Auditor's Report****Report on the Internal Financial Controls under Clause (f) 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 **SAWACA BUSINESS MACHINES LIMITED** ("the Company") as of March 31st, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.



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

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 were established and maintained and if such controls operated effectively in all material respects.

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

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

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

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

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

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

**Opinion**

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

Date : 29/05/2023  
Place : Ahmedabad  
UDIN : 23133926BGWETC1216

For M A A K & Associates  
(Chartered Accountants)  
FRN : 135024W

SD/-  
Marmik Shah  
Partner  
M. No.: 133926

## STANDALONE BALANCE SHEET AS AT 31st MARCH, 2023

(Amount Rs. in Lakh)

Particulars	Notes	As at 31 March, 2023	As at 31 March, 2022
<b>Assets:</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	24.69	34.38
Right of use assets		-	-
Capital work-in-progress		-	-
Investment property		-	-
<b>Non-current financial assets</b>			
Investments		-	-
Trade receivables		-	-
Loans		-	-
Other financial assets	5	1295.92	1236.89
Deferred tax assets (net)	10	11.11	1.34
Other non-current assets		-	-
Income tax assets (net)		-	-
		<b>1,331.72</b>	<b>1,272.61</b>
<b>Current assets</b>			
Inventories		-	-
<b>Financial assets</b>			
(i) Investments		-	-
(ii) Trade receivables	4	84.56	298.07
Customers' bills discounted		-	-
(iii) Cash and cash equivalents	6	12.37	4.53
(iv) Bank balance other than cash and cash equivalents		-	-
(v) Loans		-	-
(vi) Other financial assets	5	0.77	0.74
Other current assets	7	8.47	11.33
		<b>106.16</b>	<b>314.68</b>
<b>Total assets</b>		<b>1,437.88</b>	<b>1,587.29</b>
<b>Equity and liabilities:</b>			
<b>Equity</b>			
Equity share capital	8	1,144.10	1,040.09
Other equity	9	147.33	237.35
<b>Total equity</b>		<b>1,291.43</b>	<b>1,277.44</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	11	16.38	25.30
(i) Other financial Liabilities		-	-
Provisions		-	-
Deferred tax liabilities (net)		-	-
Other non-current liabilities		-	-
		<b>16.38</b>	<b>25.30</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	11	8.92	6.71
Bill discounting with banks		-	-
(ii) Trade payables	12	103.10	254.70
(iii) Other financial liabilities	13	2.31	1.23
Provisions	14	0.90	0.30
Other current liabilities		-	5.19
Liabilities for current tax (net)		14.84	16.43
Other Provisions		-	-
		<b>130.07</b>	<b>284.54</b>
<b>Total liabilities</b>		<b>146.44</b>	<b>309.84</b>
<b>Total equity and liabilities</b>		<b>1,437.88</b>	<b>1,587.29</b>

The accompanying notes form an integral part of financials statements

**For MAAK & Associates**  
**Firm Registration No.:** 135024W  
Chartered Accountants

**CA Marmik Shah**  
Partner  
**Membership No.:** 133926  
**UDIN:** 23133926BGWETC1216

**Date :** 29/05/2023  
**Place :** Ahmedabad

**For and on behalf of Board of Directors of**  
**SAWACA BUSINESS MACHINES LIMITED**

**Shetal Shah**  
Managing Director  
**DIN:** 02148909

**Satish Shah**  
Director  
**DIN:** 05103862

**Date :** 29/05/2023  
**Place :** Ahmedabad

## Standalone Statement of Profit and Loss for the year ending 31 March 2023

(Amount Rs. in Lakh)

Particulars	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Income:</b>			
Revenue from operations	15	268.23	292.84
Other income	16	96.48	89.18
<b>Total income</b>		<b>364.72</b>	<b>382.02</b>
<b>Expenses:</b>			
Cost of material consumed	17	209.68	242.58
Employee benefits expense	18	22.95	32.07
Depreciation and amortization expense	3	11.43	12.96
Finance costs	19	2.21	2.31
Legal/Professional expenses	20	20.62	8.82
Other Expense	21	37.72	26.14
<b>Total expense</b>		<b>304.63</b>	<b>324.88</b>
<b>Profit before exceptional items and tax</b>		<b>60.10</b>	<b>57.14</b>
Exceptional items		-	-
<b>Profit before tax</b>		<b>60.10</b>	<b>57.14</b>
<b>Tax expense/(credit)</b>			
Current Tax		14.84	16.42
Adjustment of tax relating to earlier periods		0.45	1.57
Deferred tax		(9.77)	(1.47)
Less: MAT credit entitlement		-	-
<b>Total tax expense</b>		<b>5.53</b>	<b>16.52</b>
<b>Profit for the period/year</b>		<b>54.57</b>	<b>40.62</b>
<b>Other comprehensive income</b>			
<b>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</b>			
Re-measurement gains (losses) on Shares of Securities and shares		-	-
Income Tax effect		-	-
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods</b>			
<b>Other comprehensive Income for the period/year</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive Income for the period/year</b>		<b>54.57</b>	<b>40.62</b>
<b>Basic and diluted earnings per equity shares (in Rs.) face value of Rs. 1 each</b>		<b>0.05</b>	<b>0.04</b>

The accompanying notes form an integral part of financials statements

For MAAK & Associates  
Firm Registration No.: 135024W  
Chartered Accountants

CA Marmik Shah  
Partner  
Membership No.: 133926  
UDIN: 23133926BGWETC1216

Date : 29/05/2023  
Place : Ahmedabad

For and on behalf of Board of Directors of  
SAWACA BUSINESS MACHINES LIMITED

Shetal Shah  
Managing Director  
DIN: 02148909

Satish Shah  
Director  
DIN: 05103862

Date : 29/05/2023  
Place : Ahmedabad

## Cash flow statement for the year ended 31 March 2023

(Amount Rs. in Lakh)

Particular	For the Year ended 31 March 2023	For the Year ended 31 March 2022
<b>Cash flow from operating activities:</b>		
Net profit before tax	59.64	55.58
Adjustments for Depreciation		
Sundry balances / Excess Liabilities written back	0.32	(0.51)
Provision	0.60	0.30
Depreciation	11.43	12.96
Bad Debt	-	-
Interest income	-96.48	
Provision for tax	-	-
<b>Operating profit before working capital changes</b>	<b>(24.48)</b>	<b>68.33</b>
Adjustments for:-		
Movements in working capital :		
(Increase)/ decrease in Current Aseet	216.35	(258.54)
Increase/ (decrease) in other current liabilities	(156.70)	205.89
Cash generated from operations	35.17	15.68
Income tax paid	(6.20)	(7.53)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>28.97</b>	<b>8.15</b>
<b>Cash flow from investing activities:</b>		
Increase in Fixed Asset	(1.75)	(28.58)
Increase in Loans & Advances	(360.20)	(8.19)
Repayment of Loans and Advances	301.18	-
Interest income	96.48	-
<b>Net cash inflow / (outflow) from investing activities</b>	<b>35.71</b>	<b>(36.77)</b>
<b>Cash inflow/(outflow) from financing activities</b>		
Repayment of short-term borrowings Proceeds from other long term liabilities Financial expenses	(56.84)	18.01
<b>Net cash inflow / (outflow) used in financing activities</b>	<b>(56.84)</b>	<b>18.01</b>
<b>Net cash inflow / (outflow)</b>	<b>7.84</b>	<b>(10.61)</b>
<b>Net changes in cash and cash equivalents</b>	<b>7.84</b>	<b>(10.61)</b>
<b>Opening Cash and cash equivalents</b>	<b>4.54</b>	<b>15.15</b>
<b>Closing Cash and cash equivalents</b>	<b>12.37</b>	<b>4.54</b>

For MAAK &amp; Associates

Firm Registration No.: 135024W

Chartered Accountants

CA Marmik Shah

Partner

Membership No.: 133926

UDIN: 23133926BGWETC1216

Date : 29/05/2023

Place : Ahmedabad

For and on behalf of Board of Directors of  
SAWACA BUSINESS MACHINES LIMITED

Shetal Shah

Managing Director

DIN: 02148909

Satish Shah

Director

DIN: 05103862

Date : 29/05/2023

Place : Ahmedabad

## Standalone Statement of changes in equity for the year ended March 31, 2023

(Amount Rs. in Lakh)

Particulars	Equity Share Capital	Retained earning	Total
<b>Balance as at March 31, 2021</b>	<b>1,040.09</b>	<b>196.73</b>	<b>1,236.82</b>
<b>As at on April 01, 2016</b>			
Profit for the year	-	40.62	40.62
Other comprehensive income	-	-	-
Dividend Distributed	-	-	-
<b>Total comprehensive income for the year</b>	<b>1,040.09</b>	<b>237.35</b>	<b>1,277.44</b>
Share issue during the year			
<b>Balance as at March 31, 2022</b>	<b>1,040.09</b>	<b>237.35</b>	<b>1,277.44</b>
Profit for the year	-	54.57	54.57
Change in equity	-	-	-
Issue related expense	-	(40.56)	(40.56)
Bonus issue	104.01	(104.01)	-
Other comprehensive income	-	-	-
Dividend Distributed	-	-	-
<b>Balance as at March 31, 2023</b>	<b>1,144.10</b>	<b>147.34</b>	<b>1,291.44</b>

The accompanying notes form an integral part of financials statements

**For MAAK & Associates**

Firm Registration No.: 135024W

Chartered Accountants

**CA Marmik Shah**

Partner

Membership No.: 133926

UDIN: 23133926BGWETC1216

Date : 29/05/2023

Place : Ahmedabad

**For and on behalf of Board of Directors of SAWACA BUSINESS MACHINES LIMITED****Shetal Shah**

Managing Director

DIN: 02148909

**Satish Shah**

Director

DIN: 05103862

Date : 29/05/2023

Place : Ahmedabad

**Notes to Financial Statements for the year ended March 31, 2023****1 Corporate Information**

The standalone financial statements comprise of financial statements of Sawaca Business Machines Limited for the year ended March 31, 2023. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company's shares are listed on BSE, a recognised stock exchange, in India. The registered office of the company is located at 45, Chinubhai tower, Opp. Handloom House, Ahram Road, Ahmedabad - 380009. The company is engaged in the business of sale of various chemical products and scarp material. These Financial Statements have been approved for issue by the Board of Directors at their meeting held on May 29, 2023.

**2 Basis of preparation****i Statement of Compliance with IND AS**

The standalone financial statements for the year ended March 31, 2023 of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and as amended time to time.

**ii Accounting Convention and Basis of measurement**

The standalone financial statements have been prepared on a historical cost basis, on the accrual basis of accounting except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

**3 Summary of Significant Accounting Policies**

The accounting policies set out below have been applied consistently to all periods presented in the financial statements unless otherwise stated.

**i Property, Plant and Equipment (PPE)**

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment loss, if any. Such cost include purchase price, borrowing cost and any cost directly attributable to bringing assets to its location and working condition or its intended use.

Depreciation on Tangible Assets, PPE is charged on WDV method as per the useful life prescribed in Part C of Schedule: it of the Companies Act, 2013 and in the manner specified therein. The residual values, useful lives and methods of depreciation of property plant and equipment are reviewed at each financial year end and adjusted prospectively, if any.

Depreciation on fixed assets added/ disposed off/ discarded during the year is provided on a pro-rata basis with reference to the month of addition/disposal/discarding.

**ii Inventories**

Net Realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated costs necessary to make sale.

**iii Finance Cost**

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A Qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

**iv Revenue Recognition**

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

However, Goods and Service Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

**Sale of products**

Revenue from the sale of products is recognised when the significant risks and rewards of ownership of the products have passed to the buyer, usually on delivery of the products. Revenue from the sale of products is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

**Sale of Service**

Revenue from services rendered is recognised as and when services are rendered and related costs are incurred in accordance with the agreement.

**Interest Income**

For all financial assets measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

**v Employee Benefit Expenses****Short Term Employee Benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

**Post- Employment Benefits**

The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related services.

The gratuity liability is paid in terms of insurance premium and the company does not have any liability once the contribution in terms of premium is paid.

**vi Foreign currencies**

Company has not made any foreign transaction during the year.

**vii Taxes on Income**

Tax on Income comprises current tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

**Current tax**

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Deferred tax**

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date. Deferred tax liability are generally recorded for all temporary timing differences.

**viii Provisions, contingent liability and contingent Assets**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

Contingent liability is disclosed in case of:

- a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- b) a present obligation arising from past events, when no reliable estimate is possible,

Contingent assets are disclosed when an inflow of economic benefits is probable.

**ix Earning per share**

Basic Earning per share is calculated by dividing the Net Profit after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the profit after tax, as adjusted for dividend, interest and other charges to expenses or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic EPS and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

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**For MAAK & Associates**

**Firm Registration No.:** 135024W

Chartered Accountants

**CA Marmik Shah**

Partner

**Membership No.:** 133926

**UDIN:** 23133926BGWETC1216

**Date :** 29/05/2023

**Place :** Ahmedabad

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**For and on behalf of Board of Directors of  
SAWACA BUSINESS MACHINES LIMITED**

**Shetal Shah**

Managing Director

**DIN:** 02148909

**Date :** 29/05/2023

**Place :** Ahmedabad

**Satish Shah**

Director

**DIN:** 05103862



## Notes forming part of financial statements for the year ended March 31, 2023

Particulars	GROSS BLOCK						ACCUMULATED DEPRECIATION			NET BLOCK	
	Opening balance as at April 01, 2022	Addition	Deduction/ Adjustments	Closing balance as at March 31, 2023	Opening balance as at April 01, 2022	Charge for the year	On deduction	Closing balance as at March 31, 2023	As at March 31, 2023	As at March 31, 2022	
<b>Property, plant and equipment</b>											
Computers and data processing units	1.36	-	-	1.36	1.02	0.22	-	1.23	0.13	0.34	
Motor vehicle	44.23	-	-	44.23	11.99	10.07	-	22.06	22.17	32.24	
Office Equipment	1.96	1.75	-	3.71	0.78	0.99	-	1.77	1.94	1.18	
Furniture and Fittings	0.83	-	-	0.83	0.21	0.16	-	0.37	0.46	0.62	
<b>Total</b>	<b>48.38</b>	<b>1.75</b>	<b>-</b>	<b>50.13</b>	<b>14.00</b>	<b>11.43</b>	<b>-</b>	<b>25.44</b>	<b>24.69</b>	<b>34.38</b>	
<b>Previous Year</b>	<b>19.80</b>	<b>28.58</b>	<b>-</b>	<b>48.38</b>	<b>1.04</b>	<b>12.96</b>	<b>-</b>	<b>14.00</b>	<b>34.38</b>	<b>18.76</b>	

## Notes forming part of financial statements for the year ended March 31, 2023

(Amount Rs. in Lakh)

Particulars	As at 31 March, 2023	As at 31 March, 2022
<b>4. Trade receivables:</b>		
<b>Non Current</b>		
<b>Unsecured considered good unless stated otherwise</b>		
Trade Receivables		-
Receivables from related parties	_____	_____
	_____	_____
<b>Current</b>		
<b>Unsecured considered good unless stated otherwise</b>		
- from related parties (refer note 36)		-
- from others	84.56	298.07
Considered doubtful	-	-
Provision for doubtful debts	-	-
	_____	_____
	<b>84.56</b>	<b>298.07</b>

**Notes:**

- a) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person; nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.
- b) Trade receivable ageing as follow :

**Trade Receivables ageing schedule as at March 31, 2023**

Particulars	Outstanding for following periods from the due date of payment					
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 Years	More than 3 years
1 Undisputed Trade - Considered good	-	65.35	19.21	-	-	84.56
2 Undisputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-
3 Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
4 Disputed Trade receivables - Considered good	-	-	-	-	-	-
5 Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-
6 Disputed Trade receivables - credit impaired	-	-	-	-	-	-
7 Allowances for expected credit loss due to increase in credit risk	-	-	-	-	-	-
<b>Total</b>	-	<b>65.35</b>	<b>19.21</b>	-	-	<b>84.56</b>

## Notes forming part of financial statements for the year ended March 31, 2023

(Amount Rs. in Lakh)

## 4. Trade receivables: (Contd.....)

## Trade Receivables ageing schedule as at March 31, 2022

Particulars	Outstanding for following periods from the due date of payment					
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 Years	More than 3 years
1 Undisputed Trade receivables - Considered good	-	277.34	20.28	0.45		298.07
2 Undisputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-
3 Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
4 Disputed Trade receivables - Considered good	-	-	-	-	-	-
5 Disputed Trade receivables - which have significant increase in risk	-	-	-	-	-	-
6 Disputed Trade receivables - credit impaired	-	-	-	-	-	-
7 Allowances for expected credit loss due to increase in credit risk	-	-	-	-	-	-
<b>Total</b>	-	<b>277.34</b>	<b>20.28</b>	<b>0.45</b>	-	<b>298.07</b>

(Amount Rs. in Lakh)

Particulars	As at 31 March, 2023	As at 31 March, 2022
<b>5. Other financial assets:</b>		
<b>Non-current</b>		
<b>Unsecured, considered good</b>		
Loans given at Amortised cost	1,295.92	1,236.89
	<b>1,295.92</b>	<b>1,236.89</b>
<b>Current</b>		
<b>Unsecured, considered good</b>		
Security deposits	0.65	0.65
Other Financial assests	0.12	0.09
	<b>0.77</b>	<b>0.74</b>
	<b>1,295.92</b>	<b>1,236.89</b>

## 6. Cash and cash equivalents:

**Balances with banks:**

Balance in current account	7.16	2.75
Deposits with original maturity of less than three months	-	-
In Current Account (earmarked for Unpaid Dividend) /share application Refund	-	-
Cheque in hand	-	-
<b>Cash on hand</b>	<b>5.21</b>	<b>1.79</b>
	<b>12.37</b>	<b>4.53</b>

## Notes forming part of financial statements for the year ended March 31, 2022

(Amount Rs. in Lakh)

Particulars	As at 31 March, 2023	As at 31 March, 2022
<b>7. Other current assets:</b>		
<b>Unsecured, considered good</b>		
Balance with government authorities	8.37	11.33
Other asset	0.10	-
	<u>8.47</u>	<u>11.33</u>
<b>8. Share Capital:</b>		
<b>Authorised</b>		
62,00,00,000 Equity Shares of Rs.1 each (1,10,00,000 Equity Shares of Rs.10 each as at March 31, 2022)	6,200.00	1,100.00
	<u>6,200.00</u>	<u>1,100.00</u>
<b>Issued, subscribed and fully paid up shares</b>		
11,44,10,000 Equity Shares of Rs.1 each (1,04,00,900 Equity Shares of Rs.10 each as at March 31, 2022 )	1,144.10	1,040.09
	<u>1,144.10</u>	<u>1,040.09</u>

## Notes:

## (a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Rs. in Lakhs	No. of shares	Rs. in Lakhs
At the beginning of the year	10,400,900.00	10,400,900.00	10,400,900.00	10,400,900.00
Change during the year	10,400,900.00	10,400,900.00	-	-
<b>At the end of the year (refer note below)</b>	<b>114,409,900.00</b>	<b>114,409,900.00</b>	<b>10,400,900.00</b>	<b>10,400,900.00</b>

**Note:-** The Company has Sub-divided its 1,04,00,900 equity shares of face value of Rs. 10/- each fully paid up into 10,40,09,000 equity shares of face value of Rs. 1/- each fully paid up we.f. 27th may 2022 as recommended by the Board of Directors and approved by the Shareholders of the Company. Earnings per Share have been calculated/ restated, as applicable, for all the period(s) presented after considering the new number of equity shares post such sub-division in line with the provisions of the applicable ind AS and to make figures of EPS comparable with previous periods/year.

## (b) Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.1 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 shareholders.

## (c) Details of shareholder holding more than 5% shares in the Company

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% Holding	No. of shares	% Holding
Satish Ramanlal Shah	-	-	1,593,189.00	15.29
<b>Total</b>	-	<b>0.00%</b>	<b>1,593,189</b>	<b>1529.00%</b>

## Notes forming part of financial statements for the year ended March 31, 2023

## 8. Share Capital: (Contd.....)

## (d) Shareholding of Promoters as at March 31, 2023

Promoter Name	Class of share	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year
Satish R Shah	Equity shares of Rs. 10 each fully paid	1,593,189.00	(1,238,110.00)	355,079.00
Yatin G Shah	Equity shares of Rs. 10 each fully paid	96,308.00	(96,308.00)	-
Vishal S Shah	Equity shares of Rs. 10 each fully paid	50,000.00	500,000.00	550,000.00
Jyotsana S Shah	Equity shares of Rs. 10 each fully paid	191,000.00	1,910,000.00	2,101,000.00
Shetal S Shah	Equity shares of Rs. 10 each fully paid	510,600.00	1,180,098.00	1,690,698.00
<b>Total</b>	-	<b>2,441,097.00</b>	<b>2,255,680.00</b>	<b>4,696,777.00</b>

## (e) Shareholding of Promoters as at March 31, 2023

Promoter Name	Class of share	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year
Satish R Shah	Equity shares of Rs. 1 each fully paid	1,593,189.00	-	1,593,189.00
Yatin G Shah	Equity shares of Rs. 1 each fully paid	96,308.00	-	96,308.00
Vishal S Shah	Equity shares of Rs. 1 each fully paid	650,000.00	(600,000.00)	50,000.00
Jyotsana S Shah	Equity shares of Rs. 1 each fully paid	191,000.00	-	191,000.00
Shetal S Shah	Equity shares of Rs. 1 each fully paid	860,600.00	(350,000.00)	510,600.00
<b>Total</b>	-	<b>3,391,097.00</b>	<b>(950,000.00)</b>	<b>2,441,097.00</b>

- (f) The Company allotted 1,04,00,900 bonus equity shares of 1 each as fully paid-up bonus equity shares, in the proportion of 10 (Ten) equity share of Rs. 1/- each for every 100 (Hundred) existing equity shares of 1/- each to the eligible members whose names appeared in the register of members/list of beneficial owners as on 27th May 2022, i.e. record date. Accordingly, earnings per share of comparative periods presented has been calculated based on number of shares outstanding in respective periods, as increased for issuance of bonus shares.

## Notes forming part of financial statements for the year ended March 31, 2023

(Amount Rs. in Lakh)

Particulars	As at 31 March, 2023	As at 31 March, 2022
<b>9. Other Equity:</b>		
Equity component of convertible preference shares	-	-
<b>Share premium</b>		
Preference premium	-	-
Equity premium	-	-
<b>Other reserves</b>		
Debenture Redemption Reserve	-	-
Capital Redemption Reserve	-	-
Preference Share Capital, Redemption Premium Reserve	-	-
Other Comprehensive Income	-	-
Capital Reserve	-	-
<b>Retained earnings</b>		
Opening Balance	237.35	196.73
Add : Profit for the year	54.57	40.62
Less : Dividend Declared/Distributed	-	-
Less : Adjustment to opening balance	-	-
Less: Bonus Issue	(40.56)	-
Less: Issue related expense	(104.01)	-
<b>Share Based Payment Reserve</b>	-	-
<b>Other comprehensive income</b>	-	-
Actuarial Gain on Gratuity	-	-
Fair Valuation of Investments	-	-
<b>Closing balance</b>	<b>147.34</b>	<b>237.35</b>
<b>10. DEFERRED TAX LIABILITIES/ASSETS (NET)</b>		
Deferred tax Asset	11.11	1.34
Less : MAT Credit Entitlement	-	-
	<b>11.11</b>	<b>1.34</b>
<b>11. Borrowings:</b>		
<b>Long term borrowings</b>		
<b>Non-current</b>		
Term loans from banks	16.38	25.30
	<b>16.38</b>	<b>25.30</b>
<b>Current maturity of long term borrowings</b>		
Term loans from banks	8.92	6.71
<b>Total current borrowing</b>	<b>8.92</b>	<b>6.71</b>
<b>Total borrowings</b>	<b>25.30</b>	<b>32.01</b>

## Notes forming part of financial statements for the year ended March 31, 2023

(Amount Rs. in Lakh)

Particulars	As at 31 March, 2023	As at 31 March, 2022
<b>12 Trade Payables:</b>		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	103.10	254.70
	<b>103.10</b>	<b>254.70</b>

**Notes:**

(1) Due to related parties included in above trade payables

(2) Trade payable ageing as follow :

**Trade and other payable ageing as on March 31, 2023**

Particulars	Outstanding for following periods from the date of transaction*					
	Not Due	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
1 MSME	-	-	-	-	-	-
2 Others	-	95.55	5.15	2.40	-	103.10
3 Disputed dues - MSME	-	-	-	-	-	-
4 Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	-	<b>95.55</b>	<b>5.15</b>	<b>2.40</b>	-	<b>103.10</b>

**Trade and other payable ageing as on March 31, 2022**

Particulars	Outstanding for following periods from the date of transaction*					
	Not Due	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
1 MSME	-	-	-	-	-	-
2 Others	-	252.30	2.40	-	-	254.70
3 Disputed dues - MSME	-	-	-	-	-	-
4 Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	-	<b>252.30</b>	<b>2.40</b>	-	-	<b>254.70</b>

Particulars	As at 31 March, 2023	As at 31 March, 2022
-------------	-------------------------	-------------------------

**13 Other financial liabilities:****Non-Current****Financial liabilities carried at amortized cost**

Security deposits

**Sub-total****Current****Financial liabilities carried at amortized cost**

Other financial liabilities

**Sub-total****Total**

-	-
-	-
-	-
-	-
2.31	1.23
<b>2.31</b>	<b>1.23</b>
<b>2.31</b>	<b>1.23</b>

## Notes forming part of financial statements for the year ended March 31, 2023

(Amount Rs. in Lakh)

Particulars	As at 31 March, 2023	As at 31 March, 2022
<b>14. Provisions:</b>		
<b>Non-current</b>		
<b>Provision for employee benefit</b>		
Gratuity	-	-
<b>Sub-total</b>	<b>-</b>	<b>-</b>
<b>Current</b>		
<b>Provision for employee benefit</b>		
Gratuity	-	-
<b>Sub-total</b>	<b>-</b>	<b>-</b>
<b>Provision for Expense</b>		
Provision For Audit Fees	0.30	-
Provision For Internal Audit Fees	0.60	0.30
<b>Total</b>	<b>0.90</b>	<b>0.30</b>
<b>15. Other current liabilities:</b>		
Statutory dues payable	0.45	5.19
<b>Total</b>	<b>0.45</b>	<b>5.19</b>
Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>15. Revenue from operations:</b>		
<b>Revenue from contract with customers</b>		
Trading of Goods	223.23	252.84
Sale of Services	45.00	40.00
<b>Total revenue</b>	<b>268.23</b>	<b>292.84</b>
<b>16. Other income:</b>		
Interest income	96.48	89.18
<b>Total</b>	<b>96.48</b>	<b>89.18</b>
<b>17. Cost of material consumed:</b>		
Opening Inventory	-	-
Purchase & Direct Expenses	209.68	242.58
Adjustment	-	-
Closing Inventory	-	-
<b>Total</b>	<b>209.68</b>	<b>242.58</b>
<b>18. Employee benefit expenses:</b>		
Salaries to Employees	18.46	30.36
Staff welfare expenses	0.29	0.31
Direct Salary For Software	4.20	1.40
<b>Total</b>	<b>22.95</b>	<b>32.07</b>



## Notes forming part of financial statements for the year ended March 31, 2023

(Amount Rs. in Lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>19. Finance costs:</b>		
Interest on loan	2.21	2.08
Loan Processing Fees	-	0.23
	<u>2.21</u>	<u>2.31</u>
<b>20. Legal/Professional expenses:</b>		
Corporate Action Fees	6.20	-
Custodial Fees	2.20	1.25
Depository Charges [997159]	0.20	0.20
Legal Fees	0.15	2.73
Listing Fees	3.00	3.00
Professional Fees	4.13	0.68
R.O.C & Legal Expenses	3.92	-
Vakil Fees	0.23	0.17
Audit Fees	0.30	0.50
Internal Audit Fees	0.30	0.30
	<u>20.62</u>	<u>8.82</u>
<b>21. Other expenses:</b>		
Bank And Other Finance Charges	0.04	0.04
Service Charge	17.50	5.00
Advertisement Exp.	0.93	5.67
Balance Return Off	0.32	(0.60)
Business Promotion Exp.	1.96	0.46
Demate & Other Charges	0.11	-
Electric Expenses	0.27	0.24
Gst Paid	0.04	0.05
Marketing Exp.	10.02	-
Motor Car Insurance	0.45	0.15
Office Expenses	1.50	1.71
Postage & Couriers Exp.	0.14	0.25
Office Rent	2.40	2.40
Stationery & Ptg. Exp.	0.15	0.13
Subscription Exp.	0.14	-
T.D.S. On Interest Exp.	0.08	0.20
Conveyance Exp. [Staff]	0.15	-
Travelling Exp.	0.49	2.70
Vehicle Repairing & Petrol Exp.	0.92	0.83
Website Expenses	0.11	0.60
Freight Exp.	-	0.60
Hotel Expenses	-	5.07
Kasar A/C.	-	0.09
Vat A/C. [Paid]	-	0.55
	<u>37.72</u>	<u>26.14</u>

## Notes forming part of financial statements for the year ended March 31, 2023

(Amount Rs. in Lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>21. Other expenses: (Contd.....)</b>		
<b>a) Profit and loss section</b>		
<b>Current income tax:</b>		
Current income tax charge	14.84	16.43
Adjustment in respect of current income tax of previous years	0.45	1.57
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	(9.77)	(1.47)
<b>Tax expense reported in the Statement of profit and loss</b>	<b>5.53</b>	<b>16.51</b>
<b>b) Balance sheet section</b>		
Current Tax liabilities	14.84	16.43
	<b>14.84</b>	<b>16.43</b>
<b>c) Earnings per share</b>		
Profit/Loss attributable to equity shareholders of the Company	54.57	40.62
Weighted average number of equity shares	1,144.10	1,040.09
Adjusted Basic and Diluted earning per share (in Rs.)	<b>0.05</b>	<b>0.04</b>

(Amount Rs. in Lakh)

Particulars	As at 31 March, 2023	As at 31 March, 2022
<b>21. Contingent liabilities &amp; capital commitment not provided for:</b>		
<b>21.1 Contingencies</b>		
Claims against the company not acknowledged as debts:	-	-
Service tax	-	-
<b>21.2 Capital Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	-
<b>21.3 Undeclared accrued preference share dividend</b>		
Dividend on Optionally Convertible Redeemable Preference Shares (OCRPS)	-	-

## Notes forming part of financial statements for the year ended March 31, 2023

**22 Earnings per share (EPS):**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share used in the basic and diluted EPS computation:

(Amount Rs. in Lakh)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit/(Loss) after tax	54.57	40.62
Nominal value of equity share (Amount in Rs.)	1	10
Total number of equity shares	114,409,900	10,400,900
Weighted average number of equity shares for basic and diluted EPS (nominal value of equity share Rs. 10)	114,409,900	10,400,900
<b>Earnings per equity share (Amount in Rs.)</b>		
Basic and diluted earnings per share	0.05	0.39

**23. Audited Standalone Segment Information for the Quarter/Year ended on 31st March 2023:**

Sr. No.	Particulars	Quarter ended on			Year ended on	
		31/03/2023 (Audited)	31/12/2022 (Unaudited)	31/03/2022 (Audited)	31/03/2023 (Audited)	31/03/2022 (Audited)
1	<b>Segment Revenue :</b> (Net Sales / Revenue from Operations)					
	1 Trading	70.27	-	198.43	319.72	252.84
	2 INFORMATION TECHNOLOGY CONSULTING & SUPPORT SERVICE	-	40.00	40.00	45.00	40.00
	Less: Inter Segment Revenue		-	-		-
	Net Sales/Income From Operations	<b>70.27</b>	<b>40.00</b>	<b>238.43</b>	<b>364.72</b>	<b>292.84</b>
2	<b>Segment Results (Operating Results):</b>					
	1 Trading	(7.83)	(16.98)	(8.26)	(80.16)	(67.21)
	2 INFORMATION TECHNOLOGY CONSULTING & SUPPORT SERVICE	(18.55)	38.95	33.60	23.30	33.60
	<b>Total Segment Operating Results</b>	<b>-26.38</b>	<b>21.97</b>	<b>25.34</b>	<b>-56.86</b>	<b>-33.61</b>
	Add : Interest and Dividend Income	12.43	24.90	12.43	96.48	89.18
	Add : Un-allocable income net of un-allocable expenses	0.10	3.57	-	20.02	-
	<b>Net Profit Before Tax and Exceptional Items</b>	<b>-13.95</b>	<b>50.44</b>	<b>37.77</b>	<b>59.64</b>	<b>55.57</b>

**Notes for Segment Information:**

- Segments have been identified in accordance with Indian Accounting Standards ("Ind AS") 108 on Operating Segments, considering the risk/return profiles of the business, their organisational structure and internal reporting system.
- The trading segment includes wholesale trading of various items of finished goods, which includes trading mainly on bill to ship to basis and the role of the company is mainly to procure the order and assure the delivery to the customer.
- The Information technology service segment includes various technical support services, software development services, deployment of resources for the identified projects for identified tasks.
- The Company is engaged mainly in trading of goods & information technology. Most of the assets, liabilities of the aforesaid reportable segments are interchangeable or not practically allocable.

## Notes forming part of financial statements for the year ended March 31, 2023

**24. Related party transactions**

As per the Indian Accounting Standard on "Related Party Disclosures" (Ind AS 24), the related parties of the Company are as follows :

**Name of related parties and their relationship :****1) Proprietorship Firm of Director :**

Veede Enterprise

**2) Key managerial person (KMP) :**

1) Mr. Satish Shah

2) Mr. Shetal Shah

(Amount Rs. in Lakh)

Nature of transactions with related Parties	Year ended March 31, 2023	Year ended March 31, 2022
<b>Key managerial personnel</b>		
<b>Remuneration (including perquisites &amp; incentive)</b>		
Mr. Shetal Shah	6.60	6.60
Mr. Vishal Shah	-	4.20
Mr. Satish Shah	1.65	6.60
<b>Rent paid</b>	-	-
Mr. Satish Shah	2.40	2.40
<b>Reimbursement</b>		
Mr. Satish Shah	0.13	-
<b>Sales</b>	-	-
Veede Enterprise - Proprietorship firm of Vishal Shah	-	20.28

(Amount Rs. in Lakh)

Outstanding balances at the end of the year	As at March 31, 2023	As at March 31, 2022
<b>Key managerial personnel</b>		
<b>Remuneration payable (including perquisites and incentive)</b>		
Mr. Shetal Shah	0.55	-
Mr. Satish Shah	-	-
<b>Rent</b>		
Mr. Satish Shah	0.80	-
<b>Reimbursement</b>		
Mr. Satish Shah	0.13	-
<b>Trade receivable</b>		
Veede Enterprise	-	20.73

## Notes forming part of financial statements for the year ended March 31, 2023

## 25. Corporate social responsibility (CSR) expenditure:

Particulars	For the year ended March 31, 2023			For the year ended March 31, 2022		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
a) The gross amount required to be spent by the company on the corporate social responsibility (CSR) activities during the year as per the provisions of Section 135 of the Companies Act, 2013 (refer note below)	-	-	-	-	-	-
b) Amount approved by the board to be spent during the year	-	-	-	-	-	-
<b>c) Amount spent during the year</b>						
i) Construction/acquisition of asset	-	-	-	-	-	-
ii) On purposes other than (i) above	-	-	-	-	-	-
<b>d) Details related to spent/unspent obligations:</b>						
i) Contribution to public trust	-	-	-	-	-	-
ii) Contribution to charitable trust	-	-	-	-	-	-
iii) Contribution to others	-	-	-	-	-	-
iv) Unspent amount in relation to;						
- Ongoing project	-	-	-	-	-	-
- Other than ongoing project	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-
<b>e) reason for shortfall</b>	Not applicable			Not applicable		
<b>f) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,</b>	Not applicable			Not applicable		
<b>g) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the period shall be shown separately</b>	Not applicable			Not applicable		
<b>h) Details of CSR expenditure under section 135(5) of the Act in respect of other than ongoing projects:</b>						
<b>Particulars</b>				<b>For the year ended March 31, 2023</b>		
<b>Balance as at April 01, 2022</b>						
Amount deposited in a specified fund of schedule VII of the Act within 6 months				-		
Amount required to be spent during the year				-		
Amount spent during the year				-		
<b>Balance unspent as at March 31, 2023</b>				-		
<b>Particulars</b>				<b>For the year ended March 31, 2022</b>		
<b>Balance as at April 01, 2021</b>						
Amount deposited in a specified fund of schedule VII of the Act within 6 months				-		
Amount required to be spent during the year				-		
Amount spent during the year				-		
<b>Balance unspent as at March 31, 2022</b>				-		

**Note:** Amount required to be spent by the company has been computed based on the signed financial statements of the respective years.

## Notes forming part of financial statements for the year ended March 31, 2023

**26. Details of dues to micro and small enterprises as per MSMED Act, 2006:**

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the MSMED Act').

Accordingly, the disclosure in respect of the amounts payable to such Enterprises as at March 31, 2022 has been made in the Financial Statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any Supplier as at the Balance Sheet date.

The details as required by MSMED Act are given below;

Particulars	As at 31 March, 2023	As at 31 March, 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year;		
<b>Principal and interest amount</b>		
Trade payable	-	-
Capital payable	-	-
The amount of interest paid by the buyer under the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the year (where the principal has been paid but interest under the MSMED Act not paid);	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
The amount of further interest due and payable even in the succeeding period, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006.	-	-

On basis of information and records available with the Company, the above disclosures are made in respect of amount due to the micro and small enterprises, which have been registered with the relevant competent authorities. This has been relied upon by the auditors.

## Notes forming part of financial statements for the year ended March 31, 2023

## 27. Ratio analysis and its elements:

Particulars	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Variations
(a) Current Ratio	Current Assets	Current Liabilities	0.82	1.11	35.49%
(b) Debt-Equity Ratio	Current borrowings + Non-Currenet Borrowings + lease payments	Shareholder's Equity	0.02	0.03	27.91%
(c) Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments	Debt service = Interest & Lease Payments + Principal Repayments	2.10	1.60	-23.93%
(d) Return on Equity Ratio (refer note 1 below)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.04	0.03	-23.94%
(e) Inventory turnover ratio	Cost of material consumed	Average Inventory	-	-	0.00%
(f) Trade Receivables turnover ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	1.40	1.73	23.05%
(g) Trade payables turnover ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	1.17	1.63	39.22%
(h) Net capital turnover ratio	Net sales = Total sales - sales return	Average working capital = Current assets – Current liabilities	86.11	17.48	-79.70%
(i) Net profit ratio	Net Profit after tax	Net sales = Total sales - sales return	0.15	0.14	-7.28%
(j) Return on Capital employed	Earnings before interest and taxes	Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability + Lease Payments	0.05	0.05	-4.41%

## Reasons for change more than 25% in above ratios:

Particulars	Reasons for % change from March 31, 2022 to March 31, 2023
Current ratio	The Change is due to high recovery from debtor in FY 22-23.
Debt- Equity Ratio	The change is due to issue of bonus share if FY 22-23.
Trade Payable Turnover Ratio	The change is mainly due to payment to creditors.
Net Capital Turnover Ratio	There is decrease in net capital turnover ratio due to decrease in average working capital during the year.

For MAAK & Associates  
Firm Registration No.: 135024W  
Chartered Accountants

CA Marmik Shah  
Partner  
Membership No.: 133926  
UDIN: 23133926BGWETC1216

Date : 29/05/2023  
Place : Ahmedabad

For and on behalf of Board of Directors of  
SAWACA BUSINESS MACHINES LIMITED

Shetal Shah  
Managing Director  
DIN: 02148909

Satish Shah  
Director  
DIN: 05103862

Date : 29/05/2023  
Place : Ahmedabad





**SAWACA BUSINESS MACHINES LIMITED**

**[CIN:- L74110GJ1994PLC023926]**

**Regd. Office:** 45, Chinubhai Tower, Opp. Handloom House Ashram Road Ahmedabad GJ 380009 IN.

**Phone:** 079-2658 7363 • **Webiste:** [www.sawacabusiness.com](http://www.sawacabusiness.com)

**e-mail:** [sawacabusiness@yahoo.com](mailto:sawacabusiness@yahoo.com)

**ATTENDANCE SLIP**

[To be handed over at the entrance of the meeting hall]

**29th ANNUAL GENERAL MEETING 29.09.2023**

Folio No./ Client Id:	
Name of Shareholder:	
Address of Shareholder:	

I/we certify that I/we am/are member(s)/proxy for the member(s) of the Company.

I hereby record my presence at this 29th Annual General Meeting held at Shree Balaji Agora mall, 200 ft S. P. Ring Road, Between Tapovan & Bhat Circle, Motera, Ahmedabad-382424, on Friday, 29th day of September, 2023 at 12:00 Noon(IST)

\_\_\_\_\_  
Member's/Proxy Signatures

Place :

Date :

**Notes:**

1. Please fill and sign this attendance slip and hand it over at the Attendance Verification Counter at the venue of the Meeting.
2. Only shareholders of the Company and/or their Proxy will be allowed to attend the Meeting.
3. No Gifts Shall Be Distributed In The Annual General Meeting Or Afterwards.

**Note:-**

Please follow steps for remote e-voting procedure as given in the Notice of 29thAGM the same is also available on [www.sawacabusiness.com](http://www.sawacabusiness.com)

## SAWACA BUSINESS MACHINES LIMITED

[CIN:- L74110GJ1994PLC023926]

Regd. Office: 45, Chinubhai Tower, Opp. Handloom House Ashram Road Ahmedabad GJ 380009 IN.

Phone: 079-2658 7363 • Webiste: www.sawacabusiness.com

e-mail: sawacabusiness@yahoo.com

### Form MGT-11

### Proxy Form

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

Name of Member :	_____
Registered Address :	_____
Folio No./ Client ID :	_____ DPID : _____
E-Mail :	_____

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

1. Name :	_____
Address :	_____
E-mail Id :	_____
Signature: _____	or Failing Him
2. Name :	_____
Address :	_____
E-mail Id :	_____
Signature: _____	

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/ Extraordinary general meeting of the company, to be held on the 29th day of September At 12 Noon (IST) at Shree Balaji Agora mall, 200 ft S. P. Ring Road, Between Tapovan & Bhat Circle, Motera, Ahmedabad-382424 and at any adjournment thereof in respect of such resolutions as are indicated below:

S.N.	Ordinary Business	For	Against
1.	Adoption of audited financial statements of the Company for the financial year ended 31st March 2023		
2.	Appointment of Mr. Satish Shah (DIN: 05103862) as a Director of the Company who retires by rotation Special Business		
3.	To Approve Related Party Transactions		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2023



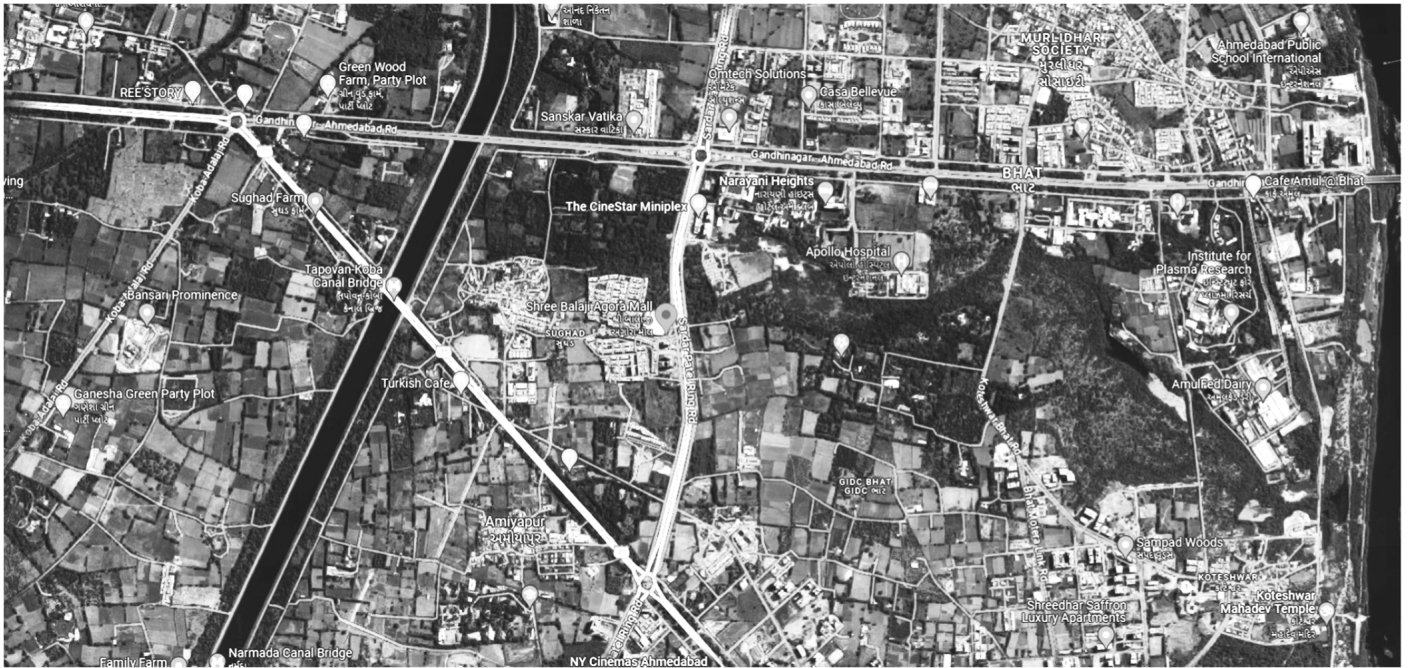
\_\_\_\_\_  
Signature of Shareholder

\_\_\_\_\_  
Signature of Proxy Holder(s)

#### 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. Notwithstanding the above, the Proxies can vote on such other items which may be tabled at the meeting by the members present.
3. In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.
4. For Resolutions, Statement pursuant to Section 102 of the Companies Act 2013 and Notes, please refer to the Notice of 14th Annual General Meeting.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.

# ROUTE MAP TO THE VENUE OF THE ANNUAL GENERAL MEETING



**Book Post**

To

*If Undelivered please return to :*

**SAWACA BUSINESS MACHINES LIMITED**

45, Chinubhai Tower, Opp. Handloom House,  
Ashram Road, Ahmedabad-380009, Gujarat, INDIA.