

**Independent Auditor's Report on the Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015**

To

**The Board of Directors of**

**M/S. SWATI PROJECTS LIMITED**

**Opinion**

We have audited the accompanying Quarterly Financial Results of **M/s. Swati Projects Limited** (the 'Company') for the quarter ended 31st March, 2020 and the year-to date results for the period from 1st April, 2019 to 31st March, 2020, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the 'Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, these annual financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) give a true and fair view of the net profit and other comprehensive income and other financial information for the quarter ended 31st March, 2020 as well as the year-to-date results for the period from 1st April, 2019 to 31st March, 2020.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 (the 'Act'). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Results* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

We draw attention to Note 6 to the Financial Results which explains COVID-19 that has caused significant disruptions in the business operations of companies across India and has caused significant accounting and auditing challenges. One such challenge being inability for the Company to conduct a physical verification of audit evidences and documents for the year ended 31<sup>st</sup> March, 2020 due to Government having imposed restrictions during the lockdown on account of health, travel and safety concerns.

Our opinion is not modified in respect of this matter.



## **Management's Responsibility for the Financial Results**

These quarterly financial results as well as the year to date financial results have been prepared on the basis of the financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the Ind AS and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## **Auditors' Responsibilities for the Audit of the Financial Results**

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

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

- ⇒ Identify and assess the risks of material misstatement of the financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- ⇒ Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls;
- ⇒ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;



- ⇒ Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exist related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results 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; and
- ⇒ Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

### **Other Matter**

The annual financial results include the results for the quarter ended 31<sup>st</sup> March, 2020 being the balancing figures between audited figures in respect of the full financial year and the published unaudited figures up to the third quarter of the current financial year which were subject to limited review by us.

Place: Kolkata

Date: The 27<sup>th</sup> day of July, 2020

UDIN: 20304623AAAAAG2659



**For N. K. Jain & Co**  
Chartered Accountants  
(Firm Registration No.304078E)

A handwritten signature in blue ink, appearing to be "Adarsh Jain", written over a set of horizontal lines.

**Adarsh Jain**  
(Partner)  
(Membership No.304623)

**SWATI PROJECTS LIMITED**

**STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2020**

Rs.

| SL. NO. | PARTICULARS  | QUARTER ENDED          |                  |                        | YEAR ENDED       |                  |
|---------|--|------------------------|------------------|------------------------|------------------|------------------|
|         |  | 31.03.2020             | 31.12.2019       | 31.03.2019             | 31.03.2020       | 31.03.2019       |
|         |  | Audited (refer note 8) | Unaudited        | Audited (refer note 8) | Audited          | Audited          |
| 1       | <b>Income</b>                                      |                        |                  |                        |                  |                  |
|         | (a) Revenue from operations                        | 1,940,387              | 1,949,059        | 1,658,109              | 7,854,817        | 6,691,121        |
|         | (b) Other Income                                   | 4,500                  | -                | -                      | 4,500            | -                |
|         | <b>Total Income</b>                                | <b>1,944,887</b>       | <b>1,949,059</b> | <b>1,658,109</b>       | <b>7,859,317</b> | <b>6,691,121</b> |
| 2       | <b>Expenses</b>                                    |                        |                  |                        |                  |                  |
|         | (a) Employee Benefits Expenses                     | 271,800                | 200,100          | 97,975                 | 737,525          | 321,025          |
|         | (b) Other Expenses                                 | 126,916                | 137,370          | 108,584                | 1,286,412        | 411,328          |
|         | <b>Total Expenses</b>                              | <b>398,716</b>         | <b>337,470</b>   | <b>206,559</b>         | <b>2,023,937</b> | <b>732,353</b>   |
| 3       | <b>Profit before Tax</b>                           | 1,546,171              | 1,611,589        | 1,451,550              | 5,835,380        | 5,958,768        |
| 4       | <b>Tax Expenses (Refer note 3)</b>                 |                        |                  |                        |                  |                  |
|         | a) Current Tax                                     | -                      | -                | -                      | 1,468,648        | 1,549,280        |
|         | b) Deferred Tax                                    | -                      | -                | -                      | -                | -                |
| 5       | <b>Profit for the period/year (3-4)</b>            | 1,546,171              | 1,611,589        | 1,451,550              | 4,366,732        | 4,409,488        |
| 6       | <b>Other comprehensive Income/(Loss)</b>           | -                      | -                | -                      | -                | -                |
| 7       | <b>Total comprehensive Income (5+6)</b>            | 1,546,171              | 1,611,589        | 1,451,550              | 4,366,732        | 4,409,488        |
| 8       | Paid-up Equity share capital of Rs. 10 each        | 50,625,000             | 50,625,000       | 33,750,000             | 50,625,000       | 33,750,000       |
| 9       | Other Equity                                       |                        |                  |                        | 34,444,072       | 46,663,798       |
| 10      | Net Worth  |                        |                  |                        | 85,069,072       | 80,413,798       |
| 11      | Earning Per Share of Rs. 10 each (Not annualised)* |                        |                  |                        |                  |                  |
|         | (a) Basic  | 0.31                   | 0.32             | 0.43                   | 0.86             | 1.31             |
|         | (b) Diluted  | 0.31                   | 0.32             | 0.43                   | 0.86             | 1.31             |

| <b>A PARTICULARS OF SHAREHOLDING</b> |  |           |           |           |           |           |
|--------------------------------------|--|-----------|-----------|-----------|-----------|-----------|
| 1                                    | <b>Public Share Holding</b>  |           |           |           |           |           |
|                                      | - Number of Shares   | 3,869,475 | 3,869,475 | 2,579,650 | 3,869,475 | 2,579,650 |
|                                      | - Percentage of Shareholding   | 76.43     | 76.43     | 76.43     | 76.43     | 76.43     |
| 2                                    | <b>Promoter and Promoter Group Shareholding</b>  |           |           |           |           |           |
|                                      | (a) Pledged / Encumbered   |           |           |           |           |           |
|                                      | - Number of Shares   |           |           |           |           |           |
|                                      | - Percentage of Shareholding (as a % of the total shareholding of promoter & promoter group) |           |           |           |           |           |
|                                      | - Percentage of Shareholding (as a % of total share capital of the Company)                  |           |           |           |           |           |
|                                      | (b) Non-Pledged / Encumbered   |           |           |           |           |           |
|                                      | - Number of Shares   | 1,193,025 | 1,193,025 | 795,350   | 1,193,025 | 795,350   |
|                                      | - Percentage of Shareholding (as a % of the total shareholding of promoter & promoter group) | 23.57     | 23.57     | 23.57     | 23.57     | 23.57     |
|                                      | - percentage of Shareholding (as a % of total share capital of the Company)                  | -         | -         | -         | -         | -         |

| <b>PARTICULARS</b> |  | <b>3 MONTHS ENDED 31.03.2020</b> |     |
|--------------------|--|----------------------------------|-----|
| <b>B</b>           | <b>INVESTOR COMPLAINTS</b>                     |                                  |     |
| 1                  | PENDING AT THE BEGINNING OF THE QUARTER        |                                  | NIL |
| 2                  | RECEIVED DURING THE YEAR                       |                                  | NIL |
| 3                  | DISPOSED OF DURING THE QUARTER                 |                                  | NIL |
| 4                  | REMAINING UNRESOLVED AT THE END OF THE QUARTER |                                  | NIL |

Regd. Off.  
168-B Jamunalal Bajaj Street  
Kolkata - 700 007.

For on behalf of the Board



Shreegopal Daga  
(Managing Director)



# SWATI PROJECTS LIMITED

## STATEMENT OF ASSETS & LIABILITIES

As on 31.03.2020

| SL. NO.  | PARTICULARS                                | 31.03.2020<br>(Audited) | 31.03.2019<br>(Audited) |
|----------|--|-------------------------|-------------------------|
| <b>A</b> | <b><u>ASSETS</u></b>                       |                         |                         |
| <b>1</b> | <b>Financial Assets</b>                    |                         |                         |
|          | a. Cash and cash equivalents               | 129,210                 | 146,876                 |
|          | b. Loans                                   | 84,315,809              | 79,431,078              |
|          | c. Investments                             | 88,027                  | 88,027                  |
|          | d. Other financial assets                  | 2,148,738               | 5,299,005               |
|          | <b>Total Financial Assets</b>              | <b>86,681,784</b>       | <b>84,964,986</b>       |
| <b>2</b> | <b>Non-financial Assets</b>                | -                       | -                       |
|          | <b>Total Non-financial Assets</b>          | -                       | -                       |
|          | <b>TOTAL ASSETS</b>                        | <b>86,681,784</b>       | <b>84,964,986</b>       |
| <b>B</b> | <b><u>LIABILITIES AND EQUITY</u></b>       |                         |                         |
|          | <b>LIABILITIES</b>                         |                         |                         |
| <b>1</b> | <b>Financial Liabilities</b>               |                         |                         |
|          | a. Borrowings (Other than Debt Securities) | -                       | 4,500                   |
| <b>2</b> | <b>Non-financial Liabilities</b>           |                         |                         |
|          | a. Current Tax Liabilities (Net)           | 1,468,648               | 4,503,361               |
|          | b. Deferred Tax Liabilities (Net)          | 1,327                   | 1,327                   |
|          | c. Other Non-financial Liabilities         | 142,737                 | 42,000                  |
|          | <b>Total Liabilities</b>                   | <b>1,612,712</b>        | <b>4,551,188</b>        |
|          | <b>Equity</b>                              |                         |                         |
|          | a. Equity Share Capital                    | 50,625,000              | 33,750,000              |
|          | b. Other Equity                            | 34,444,072              | 46,663,798              |
|          | <b>Total Equity</b>                        | <b>85,069,072</b>       | <b>80,413,798</b>       |
|          | <b>TOTAL LIABILITIES AND EQUITY</b>        | <b>86,681,784</b>       | <b>84,964,986</b>       |

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For on behalf of the Board



Shreegopal Daga  
(Managing Director)



**M/S. SWATI PROJECTS LIMITED**

**CASH FLOW STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020**

| PARTICULARS   | As at 31.03.2020   | As at 31.03.2019   |
|---|--------------------|--------------------|
| <b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>                       |                    |                    |
| Net Profit Before Tax & Extraordinary Items                         | 5,835,380          | 5,958,768          |
| <b>Adjustments For :-</b>   |                    |                    |
| Interest (Net)  | (7,841,547)        | (6,666,063)        |
| Operating Profit before Working Capital Changes                     | <b>(2,006,167)</b> | <b>(707,295)</b>   |
| <b>Adjustments For :-</b>   |                    |                    |
| Changes in Payables   | 100,737            | (5,700)            |
| <b>Cash Generated from Operations</b>                               | <b>(1,905,430)</b> | <b>(712,995)</b>   |
| Less:- Tax Paid/Adjustments   | 4,214,819          | 3,804,764          |
| <b>Net Cash from Operating Activities</b>                           | <b>(6,120,249)</b> | <b>(4,517,759)</b> |
| <b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>                       |                    |                    |
| Long Term Loan Given  | (4,884,731)        | (4,526,505)        |
| Long Term Borrowings  | (4,500)            | -                  |
| Short Term Loans and advances                                       | 3,150,267          | 2,299,709          |
| Interest Received   | 7,854,817          | 6,691,121          |
| <b>Net Cash from Investing Activities</b>                           | <b>6,115,853</b>   | <b>4,464,325</b>   |
| <b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>                       |                    |                    |
| Interest Paid   | (13,270)           | (25,058)           |
| <b>Net Cash from Financing Activities</b>                           | <b>(13,270)</b>    | <b>(25,058)</b>    |
| <b>Net Increase/Decrease in Cash &amp; Cash Equivalants (A+B+C)</b> | <b>(17,666)</b>    | <b>(78,492)</b>    |
| Cash & Cash Equivalants at the beginning of the year                | 146,876            | 225,368            |
| <b>Cash &amp; Cash Equivalants at the end of the year</b>           | <b>129,210</b>     | <b>146,876</b>     |
| <b>Cash &amp; Cash Equivalants include:</b>                         |                    |                    |
| Cash in Hand  | 615                | 289                |
| With Scheduled Banks in - Current Accounts                          | 128,595            | 146,587            |
|   | <b>129,210</b>     | <b>146,876</b>     |

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For on behalf of the Board



Sh. Shreegopal Daga  
(Managing Director)



**M/S. SWATI PROJECTS LIMITED**  
**KOLKATA**

**Notes on Financial Results**

1. The segment reporting as defined in AS-17 is not applicable to the Company.
2. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors on 27<sup>th</sup> July, 2020. Audit under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been carried out by the statutory auditors. Auditor's report does not contain any observation which would have an impact on the above results.
3. Increase in Authorized Share Capital of the Company from Rs. 3,50,00,000/- to Rs. 5,50,00,000/- by creation of additional 20,00,000 equity shares of Rs. 10 each and consequent amendment to Memorandum and Articles of Association of the Company.
4. The Company has issue 16,87,500 Bonus Shares in the proportion of 2:1 i.e. One equity share of Rs. 10/- each for every Two fully paid up equity share. The paid-up capital has been increased from Rs. 3,37,50,000/- to Rs. 5,06,25,000/-.
5. The Company has elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognized provision for Income Tax for the year ended 31<sup>st</sup> March, 2020.
6. **COVID-19** has caused significant disruptions to businesses across India. The management has considered the possible effects, if any, that may impact on the business. In making the assumptions and estimates relating to the uncertainties as at the balance sheet date in relation to the recoverable amounts, the management has considered subsequent events, internal and external information and evaluated economic conditions prevailing as at the date of approval of these financial statements. The management expects no impairment on the operations. The management will continue to closely monitor any changes to future economic conditions and assess its impact on the operations
7. Disclosure as per Regulation 52(4) of the SEBI (LODR) Regulation, 2015 is not applicable to the Company.
8. The figures of the last quarter are the balancing figures between the audited figures in respect of the full financial year and year-to-date figures upto the third quarter of the financial year.
9. Figures of the previous periods have been regrouped, wherever necessary.



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