



**SVC
INDUSTRIES
LIMITED**

**ANNUAL REPORT
2019-2020**

SVC INDUSTRIES LIMITED

Corporate Information

BOARD OF DIRECTORS :

Mr. Suresh V. Chaturvedi, Promoter Director
(DIN-00577689)

Mr. I.G. Mehrotra, Non – Executive & Independent Director
(DIN – 00579544)

Ms. Abha Ravi, Non-Executive & Independent Director
(DIN- 07127554)

BOARD COMMITTEES :

AUDIT COMMITTEE:

Mr. I.G. Mehrotra - Chairman
Ms. Abha Ravi - Member
Mr. Suresh V. Chaturvedi - Member

STAKEHOLDERS RELATIONSHIP COMMITTEE:

Mr. Suresh V. Chaturvedi - Chairman
Ms. Abha Ravi - Member
Mr. I.G. Mehrotra - Member

NOMINATION AND REMUNERATION COMMITTEE:

Mr. I.G. Mehrotra - Chairman
Ms. Abha Ravi - Member
Mr. Suresh V. Chaturvedi - Member

CHIEF FINANCIAL OFFICER:

Mr. Sanjay Agarwal

COMPANY SECRETARY:

Mohd. Faiyaz Mansuri (up to 14.07.2019)
Prathamesh Sonsurkar (23.09.2020 to 21.01.2020)

STATUTORY AUDITORS :

M/s. Chaturvedi SK & Fellows
Chartered Accountants
402, Dev Plaza, S.V. Road, Andheri West,
Mumbai - 400 058

REGISTERED OFFICE:

301, 3rd Floor, Shubham Centre-1, 3rd Floor,
491, Cardinal Gracious Road,
Andheri (East), Mumbai - 400 099.

SITE :

Chhata Barsana Road, Chhata,
Dist. - Mathura,
Uttar Pradesh - 281 401.

REGISTRAR AND TRANSFER AGENT :

Sharex Dynamic India Pvt. Ltd.

Branch Off: C-101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai-400083.

Phone:(022) 28515606, 28515644

Email:sharexindia@vsnl.com

Website: www.sharexindia.com

LISTING OF EQUITY SHARES :

BSE Limited,
Phiroze Jeejeebhoy Tower,
Mumbai - 400 021.

BSE STOCK CODE - 524488

INVESTOR EMAIL ID :

svcindustriesltd@gmail.com

CORPORATE IDENTITY NUMBER :

L15100MH1989PLC053232

SECRETARIAL AUDITOR

Ranjeet Kumar Sharma & Associates

WEBSITE :

www.svcindustriesltd.com

NOTICE

NOTICE is hereby given that the 29th Annual General Meeting of the Members of **SVC Industries Limited** will be held on Monday 28th September, 2020 at 11:30a.m. through Video Conference (VC) and Other Audio Visual Means (OAVM) for which purpose the Registered office of the Company at 301, Shubham Centre-1, 491, Cardinal Gracias Road, Andheri (East), Mumbai – 400 099 shall be deemed as the venue for the meeting and the proceedings of the AGM shall be deemed to be made there at to transact the following business: -

ORDINARY BUSINESS: -

1. To consider and adopt (a) the audited financial statement of the Company for the financial year ended 31st March, 2020 and the reports of the Board of Directors' and Statutory Auditors' thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended on 31st March, 2020 and the report of Auditors thereon.
2. To appoint a Director in place of Mr. Suresh V. Chaturvedi (DIN 00577689), who retires by rotation and being eligible, offers him self for reappointment.

SPECIAL BUSINESS: -

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

"RESOLVED THAT pursuant to the provision of section 149, 152 read with schedule "IV and" any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Ms. Abha Ravi (holding DIN 07127554), Director of the Company who was appointed as an Independent Director at the Board Meeting held on 25th July, 2020 and in respect of whom the Company has received recommendation from the Nomination and Remuneration Committee and as approved by the Board of Directors at its Board Meeting proposing her candidature for the office of Director be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 years consecutive years on the Board of the Company up to 24th July, 2025."

By Order of the Board of Directors
For **SVC Industries Limited**

Suresh V. Chaturvedi
Director

Place: Mumbai
Date: 28th August, 2020

NOTES:

1. In view of massive outbreak of COVID-19 pandemic, social distancing norms and restrictions on movement of persons at several places in the country and pursuant to General Circular Nos.14/2020, 17/2020 and 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020, respectively (collectively referred to as 'MCA Circulars') issued by the Ministry of Corporate Affairs ('MCA') and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India ('SEBI Circular') permitted the holding of the Annual General Meeting ('AGM') through VC / OAVM, without the physical presence of the Members. In compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), MCA Circulars and SEBI Circular, the AGM of the Company is being held through VC / OAVM which does not require physical presence of members at a common venue. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.
2. An Explanatory Statement, pursuant to Section 102(1) of the Act, relating to special business set out under Item Nos. 3, of the accompanying Notice are annexed hereto. A statement providing additional details of the Director along with brief profile who are seeking appointment/ re-appointment as set out at Item No. 2 of the Notice is annexed herewith as per Regulation 36 of the Listing Regulations, as amended and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India ('ICSI').
3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
4. The register of members and share transfer books will remain closed from 22nd September, 2020 to 28th September, 2020 (both days inclusive) for the purpose of ascertaining the Shareholders attending the AGM.
5. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut off date of 21st September, 2020.
6. The Company's Statutory Auditors, M/s. Chaturvedi SK & Fellow were appointed as Statutory Auditors of the Company for a period of five (5) consecutive years at the AGM of the Members held on 1st July, 2017. Pursuant to the amendment made by the Companies (Amendment) Act, 2017, effective from May 7, 2018, it is no longer necessary to seek the ratification of the shareholders for continuance of the above appointment. Hence, the Company is not seeking the ratification of the shareholders for the appointment of the Statutory Auditors.
7. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.

8. As per the provision of Section 72 of the Act, facility for making nomination(s) is available to Individuals holding shares in the Company. Members holding shares in physical form may obtain the Nomination Form from the RTA. Members holding shares in demat mode should file their nomination with their Depository Participants ('DPs') for availing this facility.
9. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
10. In case of joint holders, the Members 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 at the AGM.
11. As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed companies can only be transferred in demat form with effect from April 1, 2019, except in case of request for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holding to demat form. Members can contact the Company or RTA for assistance in this regard.
12. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held in electronic form and to Company's RTA - M/s Sharex Dynamic India Private Limited, Share Transfer Agent Limited having address at C-101, 247, Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083, in case the shares are held in physical form.
13. The Company or RTA cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the DPs of the Members. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in electronic mode.

14. PROCEDURE FOR INSPECTION OF DOCUMENTS:

- a) The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested maintained under Section 189 of the Act and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM.
- b) All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to svcindustriesltd@gmail.com.
- c) Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before

Wednesday, 23rd September, 2020 through email on svcindustriesltd@gmail.com. The same will be replied by the Company suitably.

15. In compliance with the aforesaid MCA Circulars and SEBI Circular, the Notice calling AGM along with Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice of the AGM and the Annual Report 2019-20 will also be available on the Company's website at www.svcindustriesltd.com, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com.
16. Members are requested to send all communications relating to shares and unclaimed dividends, change of address, bank details, email address etc. to the RTA at the following address:

Sharex Dynamic India Private Limited,
Share Transfer Agent Limited
C-101, 247, Park, L.B.S. Marg,
Vikhroli (West), Mumbai – 400 083

If the shares are held in electronic form, then change of address and change in the Bank Accounts etc., should be furnished to their respective Dps.

17. Members may please note that SEBI has made PAN as the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transactions. Members may please note that SEBI has also made it mandatory for submission of PAN in the following cases, viz. (i) Deletion of name of the deceased shareholder(s) (ii) Transmission of shares to the legal heir(s) and (iii) Transposition of shares. Members are requested to Register their PAN with their DPs, in case of shares held in demat form and RTA/ Company, in case of shares held in physical form, as directed by SEBI.
18. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
19. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM.
20. Instructions for E-voting and joining the AGM are as follows:

The remote e-voting period begins on Friday, 25th September, 2020 at 09:00 A.M. and ends on Sunday, 27th September, 2020 at 05.00 P.M. The remote e-voting module shall be disabled for voting thereafter.

- i. Members may also note that the Notice of the 29th Annual General Meeting and the Annual Report for 2019-20 will also be available on the Company's website www.svcindustriesltd.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Mumbai for inspection during normal business hours on working days. Even after registering

for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: svcindustriesltd@gmail.com

ii. Instructions for Shareholders/Members to attend the Annual General Meeting through Insta Meet (VC/OAVM) are as under:

- a) Shareholders/Members are entitled to attend the Annual General Meeting through VC/OAVM provided by Link Intime by following the below mentioned process. Facility for joining the Annual General Meeting through VC/OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and will be available to the Members on first come first serve basis.
- b) Shareholders/Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited and will be closed on expiry of 15 (fifteen) minutes from the scheduled time of the Annual General Meeting. Shareholders/Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chair Persons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first-come-first serve basis. Members can log in and join 15 (fifteen) minutes prior to the schedule time of the meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time.
- c) Shareholders/ Members will be provided with Insta Meet facility wherein Shareholders/ Member shall register their details and attend the Annual General Meeting as under:
- d) Open the internet browser and launch the URL for Insta Meet <<https://instameet.linkintime.co.in>> and register with your following details:
 - a. DP ID / Client ID or Beneficiary ID or Folio No.: Enter your 16-digit DP ID / Client ID or Beneficiary ID or Folio Number registered with the Company.
 - b. PAN: Enter your 10-digit Permanent Account Number (PAN)
 - c. Mobile No.
 - d. Email ID

e) Click "Go to Meeting"

Note:

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience. Share holders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting. Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches. In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to instameet@linkintime.co.in or Call us: - Tel: (022-49186175)

21. Instructions for Shareholders/Members to register themselves as Speakers during Annual General Meeting:

- a) Shareholders/ Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number at (svcindustriesltd@gmail.com) from 22.09.2020, 9:00 am to 24.09.2020, 6:00 pm.
- b) The first 15 Speakers on first come basis will only be allowed to express their views/ask questions during the meeting.
- c) Shareholders/ Members, who would like to ask questions, may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at svcindustriesltd@gmail.com. The same will be replied by the company suitably.

Note:

Those shareholders/members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Annual General Meeting. Shareholders/ Members should allow to use camera and are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

22. Instructions for Shareholders/Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

- (i) On the Shareholders VC page, click on the link for e-Voting "Cast your vote".
- (ii) Enter Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet and click on 'Submit'.
- (iii) After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
- (iv) Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired.
 - a. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
- (v) After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
- (vi) Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting. In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to instameet@linkintime.co.in or Call us: - Tel: (022-49186175)

23. Ranjeet Kumar & Associates, a practising Company Secretary (Certificate of Practice 13241) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
24. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in 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.
25. As per Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the results of the e-voting are to be submitted to the Stock Exchange(s) within 48 hours of the conclusion of the AGM. The results declared along with Scrutinizer's Report shall be placed on the Company's website www.svcindustriesltd.com.
26. The results on resolutions so declared at or after the Annual General Meeting of the Company will be deemed to have been passed on the Annual General Meeting date subject to receipt of the requisite number of votes cast in favour of the Resolutions.
27. The Ministry of Corporate Affairs has taken a 'Green Initiative in Corporate Governance' by allowing companies to send documents to their shareholders in electronic mode. To support this green initiative and to receive communications from the Company in electronic mode, members who have not registered their E-mail addresses and are holding shares in physical form are requested to contact the RTA of the Company and register their Email-id. Members holding shares in demat form are requested to contact their DPs. Members may please note that notices, annual reports, etc. will be available on the Company's website at www.svcindustriesltd.com. Members will be entitled to receive the said documents in physical form free of cost at any time upon request.

By Order of the Board of Directors
For **SVC Industries Limited**

Suresh V. Chaturvedi
Director
Date: 28th August, 2020

EXPLANATORY STATEMENT

The following Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, set out the material facts relating to the business mentioned in the accompanying notice dated 14th August, 2020

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

Re-appointment by Rotation of Mr. Suresh V. Chaturvedi (Item No. 2)

Name of the Director	Mr. Suresh V. Chaturvedi
Qualification	B.Com
Date of Appointment	29th August, 1989
Profile and expertise	Mr.Suresh V. Chaturvedi aged about 62 years is a non-executive director. He has over 40 years of rich experience in setting up of projects in sectors of Power Generation, PTA, TPE Sugar and Pharmaceuticals and Dairy
Directorship held in other companies	Chaturvedi Engineering and Trading Pvt. Ltd SVC Growth Fund Private Limited Krishna Advisors Private Limited
Committee position held in other companies	Nil
Shareholding (No. of equity shares)	41,92,000

Appointment of Ms. Abha Ravi as Independent Director (Item No. 3)

Abha Ravi is a Non-Executive Director of the Company. She was appointed as the Additional Director at the Board meeting w.e.f 25th March, 2015. The appointment was approved by the shareholders at the 24th Annual General Meeting held on 28th September, 2015.

She has completed Diploma in Occupational Therapy with Master's in Arts specializing in Political Science. She has worked as Senior Occupational Therapist in Irwing Hosiptal and Deen Dayal Upadhayaya Hospital.

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors has recommended appointment of Ms. Abha Ravi as Independent Director for a second term of 5 (five) consecutive years on the Board of the Company. The Board bases on the performance evaluation of Independent Directors as per the recommendations of the Nomination and Remuneration Committee, considers that given this background and experience and contributions made by him during his tenure, the continued association of Ms. Abha Ravi would be beneficial to the Company and it is desirable to continue to avail her services as Independent Director. Accordingly, it is proposed to appoint Ms. Abha Ravi as Independent Directors of the Company, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years on the Board of the Company.

Section 149 of the Companies Act, 2013 and the provisions of the securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") *inter alia* prescribe that an independent Director of the Company shall meet the criteria of independence as provided in Section 149 (6) of the Companies Act, 2013.

Section 149(10) of the Act provides that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report. Section 149(11) provides that an independent director may hold office for up to two consecutive terms. Ms. Abha Ravi is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given her consent to act as Directors.

The Company has also received declarations from Ms. Abha Ravi that she meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations. In the opinion of the Board, Ms. Abha Ravi fulfil the conditions for appointment as Independent Director as specified in the Companies Act, 2013 and the Listing Regulations.

Details of Directors whose appointment as Independent Directors is proposed at Item No. 3 is provided pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India. Copy of draft letters of appointment of Ms. Abha Ravi setting out the terms and conditions of appointment are available for inspection by the members at the registered office of the Company.

Ms. Abha Ravi is interested in the resolutions set out respectively at item No. 3 to Notice with regard to her appointment. The relatives of Ms. Abha Ravi may be deemed to be interested in the respective resolutions to the extent of her shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions. This statement may also be regarded as an appropriate disclosure under the Listing Regulations. The Board commends the Special Resolutions set out at Item No. 3 of the Notice for approval by the members.

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors present the 29th Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended 31st March, 2020.

FINANCIAL RESULTS:

(Rs. in Lakh)

Particulars	2019-20	2018-19
Revenue from Operations	13.50	4.50
Other Income	32.20	187.94
Total Income	45.70	192.44
Expenditure	(336.66)	(600.14)
Loss due to Assets Discarded	00	(3407.58)
Profit / Loss Before Tax	(290.96)	(3815.28)
Other Comprehensive Income	00	Nil
Total Comprehensive Income (Net of Tax)	(290.96)	(3815.28)

The Ministry of Corporate Affairs ('MCA') has notified the mandatory adoption of Indian Accounting Standards (Ind-AS) by all companies other than Insurance Companies, Banking companies and Non-Banking Finance companies.

DIVIDEND:

Your Directors have not recommended any dividend on equity shares for the year as there is no profit in the year.

STATE OF COMPANY'S AFFAIRS:

The Strategic Investor of the Company has received a proposal for setting up of Mega Food Park as provided under the Mega Food Park Scheme Guidelines issued by Ministry of Food Processing Industries, Government of India. Strategic Investor of the Company has received "Final" approval on dated 28.01.2019 of the competent Authority for establishment of Mega Food Park at Village Bhadawal, Chhatta, Chhatta-Barsana Road, District Mathura, Uttar Pradesh. The primary object these guidelines is to provide modern infrastructure facilities for the food processing along the value chain from the farm to the market. It will include creation of the processing infrastructure near the farm, transportation, logistic and centralized processing centers. This scheme aims to facilitate the establishment of a strong food processing industry backed by an efficient supply chain, which include collection centers, primary processing centers and cold chain infrastructure. The food processing units, under the scheme, would be located at a Central Processing Centre with need based common infrastructure required for processing, packaging, environmental protection systems, quality control labs, etc. The Food Park to be completed within 30 months from the date of final approval by MOFPI (Ministry of Food Processing Industry)

The Company has lease 57.42 acres of land for 76 years to Nandvan Mega Food Park Private Ltd. (SPV) its associate for food park. The Company shall get Rs. 57.42 crores in advance for the value of assets lease out as per Lease Agreement. The Company shall sell the infrastructure built or constructed on the above leased land in due course of time & period.

Due to delay on the part of State Government Authorities and Mathura Vrindavan Development Authority (MVDA) in granting requisite permission for the Food Park, the Ministry of Food Processing, Government of India has withdrawn its earlier permission for setting up of the Food Park on Company's land. The SPV has filed fresh application for licence for setting up the Food Park. In view of delay in implementation of this project due to regulatory reasons and also due to unforeseen Covid-19 pandemic, the SPV and the company have agreed to keep land lease agreement between them in abeyance until further clarity on the matter.

DETAILS OF SIGNIFICATION AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE:

In the year under review no material order has been passed by above said authorities impacting the going concerned status.

INTERNAL FINANCIAL CONTROL (IFC):

Your Company has a Management Assurance and Audit Department, which provides comprehensive audit coverage of functional areas and operations of the Company to examine the adequacy of and compliance with policies, procedures, statutory and regulatory requirements. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

The Audit Committee reviews and evaluates adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations. Management Assurance and Audit is an independent and objective assurance and consulting activity designed to add value and improve the Company's operations. Management Assurance and Audit function is accountable to the Board of Directors through the Chairman of the Audit Committee. Management Assurance and audit also assist the management in identifying operational opportunities for revenue leakage, cost savings and revenue enhancements; ensures working within the regulatory and statutory framework and facilitate early detection and prevention of frauds.

The Company has internal control system commensurate with the size, scale and complexity of its operation. The Company has appointed Mr. S.K. Khandelwal, Chartered Accountants as the Internal Auditor at a remuneration of Rs. 66,000/- p.a. in compliance with section 138 of the Companies Act, 2013. The scope of audit and the outcome of the audit are reviewed by Audit Committee at regular interval.

FIXED DEPOSITS:

We have not accepted any fixed deposit and as such no amount of principal or interest was outstanding as on the date of balance sheet.

STATUTORY AUDITORS:

M/s. Chaturvedi SK & Fellow, Chartered Accountants were appointed as Statutory Auditors of your Company at the Annual General Meeting held on 1st July, 2017, for a term of five consecutive years i.e. upto the date of Annual General Meeting in 2021-22.

In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

AUDITOR'S REPORT:

The observations by the Auditors in their report are self-explanatory and, in the opinion of the Board, do not require any further explanation.

SHARE CAPITAL:

At present we have only one class of shares i.e. equity shares of Rs. 10 each. Our authorized share capital is Rs. 170 Crores divided into 17 Crores equity shares of Rs. 10 each. The issued, subscribed and paid-up capital of the Company is Rs. 161.86 Crores as on March 31, 2020.

EXTRACT OF THE ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT-9 is available on website www.svcindustriesltd@gmail.com.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

Your Company shall take sufficient care in the technical design of your Food Park to optimize the energy consumption to the maximum. However, the Company makes all efforts towards conservation of energy, protection of environment & ensuring safety.

FOREIGN EXCHANGE EARNINGS & OUTGO:

The Company has not utilized any foreign exchange and has not earned any foreign exchange during the financial year ended 31st March, 2020.

CORPORATE SOCIAL RESPONSIBILITY:

The Provision with respect to Corporate Social Responsibility is not attracted to the Company as the Company is yet to commence the production.

CHANGE IN DIRECTORS AND KMP

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Suresh Chaturvedi (DIN 00577689), Director of the company retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. Details about Mr. Suresh Chaturvedi (DIN 00577689) is given in the Notice of the ensuing Annual General Meeting sent to the shareholders along with the Annual Report.

During the year, Mr. G.S. Dahotre, Dr. P.P. Shastri and Mr. Jaffar Imam resigned as the Director of the Company w.e.f. 05.11.2019, 13.01.2020 and 17.02.2020. Mohd Faiyaz Mansuri was appointed as the Company Secretary at the Board held on 18th April, 2019 and he also resigned from the Company w.e.f 14th July, 2019. Thereafter Mr. Prathamesh Sonurkar was appointed as the Company Secretary at the Board Meeting held on 23.09.2019 and he also resigned as the Company Secretary w.e.f. 21.01.2020. As on date Company has Mr. Suresh Chaturvedi, Mr. I.G. Mehrotra and Ms. Abha Ravi as Directors of the Company.

DECLARATION BY AN INDEPENDENT DIRECTOR(S) AND RE-APPOINTMENT, IF ANY:

A declaration by an Independent Directors have been received stating that they meet the criteria of independence as provided in sub-section (6) of section 149 of the Companies Act, 2013. An independent director shall hold office for a maximum of two term of five consecutive years on the Board of a Company. The resolutions for appointment of the Independent Directors i.e. Ms. Abha Ravi is incorporated in the Notice to the Annual General Meeting for the approval of the shareholders.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

During the year under review 6 Board Meetings and 4 Audit Committee Meetings were conveyed and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

MEETING OF INDEPENDENT DIRECTOR:

During the year 2019-20, a separate meeting of the Independent Directors was held on 23rd Sept., 2019 without the presence of the non-Independent Directors, in accordance with the provisions of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015.

AUDIT COMMITTEE:

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities. The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

STAKEHOLDER RELATIONSHIP COMMITTEE:

Your Company believes that its members are amongst its most important stakeholder. The Stakeholder Relationship Committee of the Company consists of Mr. Suresh V. Chaturvedi as Chairman, Ms. Abha Ravi and Mr. I.G. Mehrotra. During the year under review, the Stakeholders Relationship Committee met for 13 times.

NOMINATION AND REMUNERATION COMMITTEE:

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personal and their remuneration. The Nomination and Remuneration Committee consist of Mr. I.G. Mehrotra, Ms. Abha Ravi and Mr. Suresh V. Chaturvedi. This Committee has been constituted as per terms or provision of the Companies Act and under regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year under review the Committee met three times.

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has implemented a Whistle Blower Policy pursuant to which Whistle Blower can raise concerns relating to Reportable Matters (as defined in the policy) such as breach of Code of Conduct, fraud, bribery, corruption, employee misconduct, illegality, health and safety, environmental issues and was taged / misappropriation of bank funds/assets, etc. Further, the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provides for adequate safe guards against victimization of Whistle Blower, who can avail such mechanism and has direct access to the Chairman of the Audit Committee, in exceptional cases.

The functioning of the Vigil Mechanisms reviewed by the Audit Committee from time to time. None of the Whistle Blower has been denied access to the Audit Committee of the Board. The details of the Whistle Blower Policy are available on the website of the Company i.e. www.svcindustriesltd.com

CONTRACT / ARRANGEMENT WITH RELATED PARTIES:

All related party transactions that were entered during the financial year were in ordinary course of the business of the company and were on arm's length basis. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have potential conflict with the interest of the Company. The policy on materiality of Related Party Transactions is uploaded on the website of the company.

RISK MANAGEMENT:

Your Company has an elaborate Risk Management Framework, which is designed to enable risks to be identified, assessed and mitigated appropriately. The Board is entrusted with the responsibility to assist in (a) Overseeing and approving the Company's enterprise wide risk management framework; and (b) Overseeing that all the risks that the organization faces such as financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management infrastructure in place, capable of addressing those risks.

INTERNAL FINANCIAL CONTROLS:

The Company has in place adequate internal financial controls, with reference to financial statement. It has established an integrated framework for managing risks and internal controls. The internal financial controls have been documented and embedded in the business processes. Such controls have been assessed during the year under review and were operating effectively.

MANAGERIAL REMUNERATION:

In order to control expenses as advised by the shareholders in the earlier Annual General Meeting, the Company appointed Mr. Sanjay Agarwal, Chief Financial Officer of the Company as the Manager under the Companies Act, 2013 in compliance with the Companies Act, 2013.

There is no employee covered pursuant to section 197 read with rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence no particulars are given.

SECRETARIAL AUDIT REPORT:

Pursuant to provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ranjeet Kumar Sharma & Associates, a practicing Company Secretaries in practice to undertake the Secretarial Audit of the Company. The report of the Secretarial Audit is annexed herewith as "Annexure B".

SECRETARIAL COMPLINACE REPORT:

While the Annual Secretarial Audit shall cover a broad check on compliance with all laws applicable to the entity, listed entities shall additionally, on an annual basis, require a check by the Company Secretary in Practice on compliance of all applicable the SEBI Regulations and circulars / guidelines issued there under, consequent to which, the Company Secretary in Practice shall submit a report to the listed entity in the manner specified in the SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08,

2019. Your Company has appointed Ranjeet Kumar Sharma & Associates, a practicing Company Secretaries in practice to give Secretarial Compliance Report of the Company. The report of the Secretarial Audit is annexed herewith as “Annexure C”.

MANAGEMENT, DISCUSSION AND ANALYSIS:

Separate section on Management, discussion and analysis forming part of the Directors' report is annexure as Annexure “D”.

FRAUD REPORTING:

During the year under review the Company has not reported fraud of any nature to the Audit Committee or Board.

DIRECTORS' RESPONSIBILITY STATEMENT:

As required u/s 134 (5) of the Companies Act, 2013, the Directors confirm that;

- i. In the preparation of the annual accounts for the year ended 31st March 2020, the applicable accounting standards have been followed along with explanation relating to material departures;
- ii. They have selected such accounting policies and applied them consistently except for the non-provision of interest on all secured loans as mentioned in Note No. 29 forming part of the Balance Sheet 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 as on 31st March 2020;
- III. The Directors had 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; and
- IV. The Directors have prepared the annual accounts for the financial year ended 31st March, 2020 on a going concern basis.
- V. They have laid down 'internal financial controls' to be followed by the Company and that such internal financial control are adequate and were operating effectively.
- VI. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

CORPORATE GOVERNANCE:

The Company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance, in terms of Regulation 34 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are complied with. A separate report on Corporate Governance is being incorporated as a part of the Annual Report along with a certificate from the Auditors of the Company regarding Compliance of the conditions of Corporate Governance which is annexed to the Directors' Report.

RECONCILIATION OF SHARE CAPITAL AUDIT REPORT:

As directed by the Securities and Exchange Board of India (Depositories and participants) Regulations, 1996, Reconciliation of Share Capital is being carried out at the specified periodicity by the practicing Company Secretary. The findings of the Reconciliation of Share Capital Audit are regularly taken at the Board Meeting, besides submitting it to the BSE Limited.

CODE OF CONDUCT:

The Board has adopted, the Code of Ethics and Business for the Non-Executive Directors as also for the employees and other members of Senior Management. The said code has been communicated to all the Directors and Members of the Senior Management. Board members and senior management personnel have affirmed compliance with the Code for the financial year 2019-20.

CEO / CFO CERTIFICATION:

As there is no CEO in the Company, CFO of the Company have certified to the Board of Directors, inter alia, the accuracy of financial statements and adequacy of internal controls for the financial reporting as required under Regulation 17(8) of the Listing Regulations for the year ended 31st March, 2020.

INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015 and Companies Act, 2013 with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares beyond threshold limits. Further, it prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

The disclosures obtained under the code are submitted to the BSE Limited, from time to time. The Company regularly follows the system of Share Trading Window mechanism as per the Insider Regulation.

DEMATERIALISATION OF SHARES:

As part of its efforts to provide better investor services, your Company has admitted its equity in the Depository System of the National Securities Depositories Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) since 07.03.2000 and 23.03.2000 respectively and has offered investors the facility to hold the shares in electronic form and enter into script less trades. Your Company has always paid utmost attention to improve investor's relationship. As on 31st March, 2020 approximately 87.79 % of the total shares of the Company has already been dematerialized.

ACKNOWLEDGEMENT:

Your Directors would like to place on record their sincere thanks for the co-operation and support received from various agencies of the Central and State Governments, all Shareholders and Creditors.

Your Directors also take this opportunity to place on record their appreciation of the dedication and sense of commitment shown by the officers and employees of the Company at all levels.

For and on behalf of the Board

Suresh V. Chaturvedi
Director

Place: Mumbai.
Date: 28th August, 2020