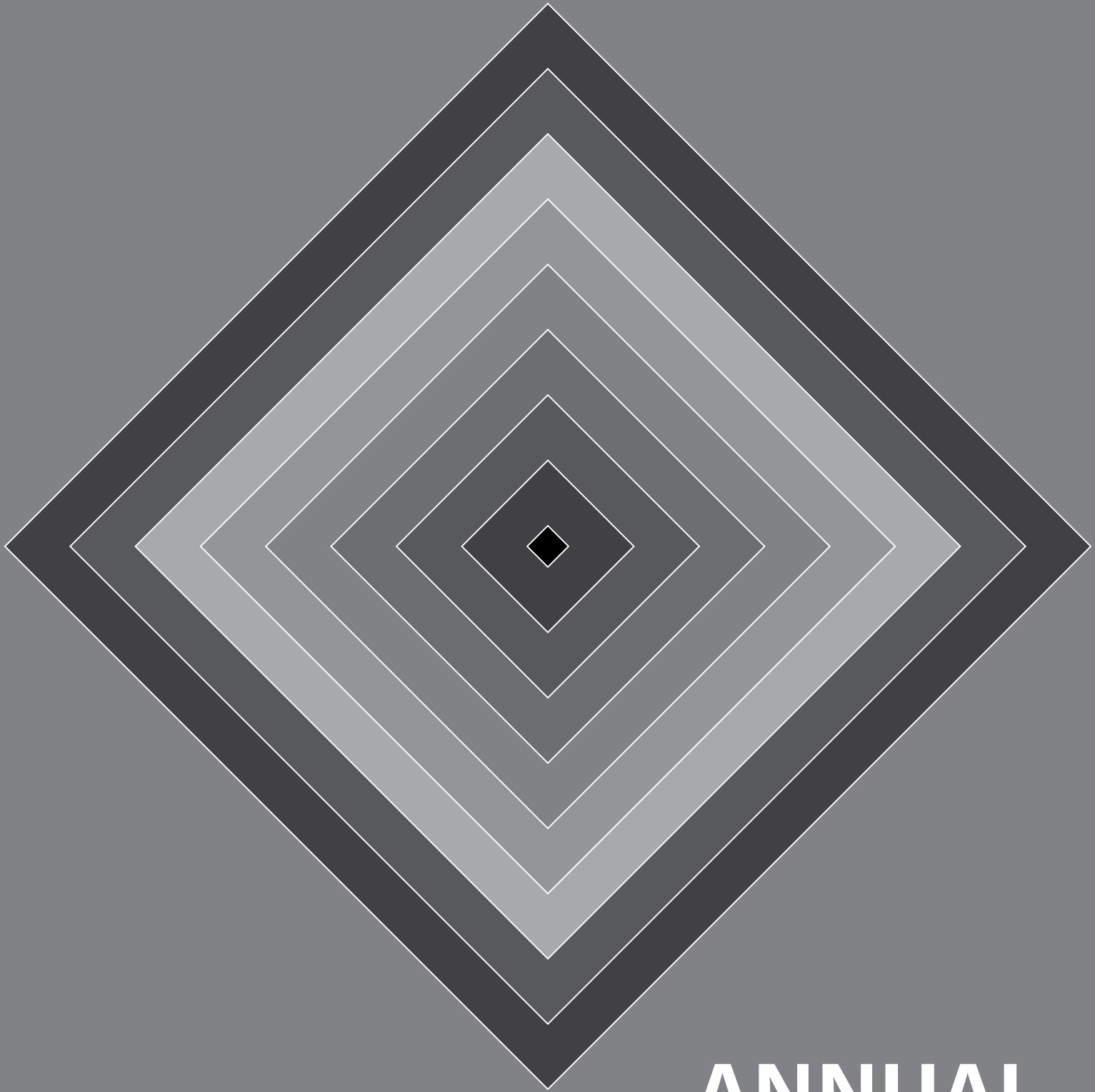




MRVL

MANDHANA RETAIL VENTURES LTD.



ANNUAL REPORT

2020-2021

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Cautionary Statement:

In this Annual Report, we have disclosed forward looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements – written and oral – that we periodically make, contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Pradip Dubhashi*

Non-executive and Independent Chairman

Mr. Ramnath Pradeep*

Non-executive and Independent Director

Mr. Kiran Vaidya®

Non-executive and Independent Director

Mrs. Sangeeta Mandhana

Managing Director

Mr. Priyavrat Mandhana

Executive Director

Mr. Mitesh Shah*

Non-executive and Independent Director

Mr. M.V.P. Hanumantha Rao*

Non-executive and Independent Director

Mr. Pravin Navandar[§]

Non-executive and Independent Director

Mr. N. Venkateshwar Rao[§]

Non-executive and Independent Director

BOARD COMMITTEES

Audit Committee

Mr. Kiran Vaidya®

Chairman

Mr. Ramnath Pradeep*

Chairman (appointed as Chairman on 14th September, 2020)

Mr. Pradip Dubhashi*

Member

Mr. Mitesh Shah

Chairman (appointed as member on 20th October, 2020 and appointed as Chairman on 17th August, 2021)

Mr. MVP Hanumantha Rao[§]

Member

Mr. Pravin Navandar[§]

Member

Mr. Priyavrat Mandhana

Member

Nomination & Remuneration Committee

Mr. Ramnath Pradeep*

Chairman

Mr. Pradip Dubhashi*

Member

Mr. Kiran Vaidya®

Member

Mr. M.V.P. Hanumantha Rao

Chairman (appointed as member on 20th October, 2020 and appointed as Chairman on 17th August, 2021)

Mr. Pravin Navandar[§]

Member

Mr. N. Venkateshwar Rao[§]

Member

Stakeholders Relationship Committee

Mr. Ramnath Pradeep*

Chairman

Mr. N. Venkateshwar Rao[§]

Chairman

Mrs. Sangeeta Mandhana

Member

Mr. Priyavrat Mandhana

Member

Corporate Social Responsibility Committee

Mr. Pradip Dubhashi*

Chairman

Mr. Ramnath Pradeep*

Member

Mr. Mitesh Shah[§]

Chairman

Mr. M.V.P. Hanumantha Rao[§]

Member

Mrs. Sangeeta Mandhana

Member

Risk Management Committee

Mr. Pradip Dubhashi*

Chairman

Mr. Ramnath Pradeep*

Member

Mr. Kiran Vaidya®

Member

Mr. Pravin Navandar[§]

Chairman

Mr. Mitesh Shah[§]

Member

Mr. M.V.P. Hanumantha Rao[§]

Member

Mr. N. Venkateshwar Rao[§]

Member

Mr. Priyavrat Mandhana[§]

Member

Management Committee

Mrs. Sangeeta Mandhana[§]

Chairperson from 17th August, 2021

Mr. Priyavrat Mandhana[§]

Member from 17th August, 2021

Mr. Mitesh Shah[§]

Member

KEY MANAGERIAL PERSONNEL

Mrs. Sangeeta Mandhana

Managing Director

Mr. Priyavrat Mandhana

Executive Director

Mr. Manish Mandhana

Chief Executive Officer

Mr. Pankaj Gharat

Chief Financial Officer
(till 22nd February, 2021)

Mr. Vishal Parikh

Chief Financial Officer
(From 20th August, 2021)

Mr. Virendra Varma

Company Secretary

STATUTORY AUDITORS

M/s. BSR & Co. LLP

Chartered Accountants
(Upto 12th November, 2020)

M/s. Ram Agarwal & Associates

Chartered Accountants
(From 11th December, 2020)

SOLICITORS

M/s. Crawford Bayley & Co.

Advocates & Solicitors

SECRETARIAL AUDITOR

Mr. Nitin R. Joshi

Practicing Company Secretary

BANKERS

ICICI Bank Limited

HDFC Bank Limited

Axis Bank Limited

Corporation Bank

State Bank of India

REGISTRAR AND SHARE TRANSFER AGENTS

Link Intime India Private Limited
(Unit: The Mandhana Retail Ventures Limited)

C-101, 247 Park, LBS Marg, Vikhroli (W),
Mumbai 400 083

Tel: 91-22-49186000

Fax: 91-22-49186060

E-mail: munbai@linkintime.co.in

Registered Office

Plot No. E-132, M.I.D.C.,
Tarapur Industrial Area,
Boisar, Dist. Palghar - 401 506
Tel: 91- 2525- 605706/272426

Corporate Office

209, Peninsula Centre,
Dr. S. S. Rao Road,
Parel, Mumbai - 400 012
Tel: 91-22-4353 9790

E-mail: cs@tmrvl.com

Website: www.mrvlindia.com

* Upto 21st June, 2021

® Upto 18th May, 2020

§ From 20th October, 2020

§ From 17th August, 2021



DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 10th Annual Report and the Audited Accounts of the Company for the year ended 31st March, 2021.

1. FINANCIAL HIGHLIGHTS

(Rupees in Lakh)

Particulars	2020-2021	2019-2020
Total Turnover	44.15	15,189.54
Other Income	512.61	883.63
Profit/(Loss) Before Interest, Depreciation and Taxation	(253.80)	(77.30)
Less: 1. Interest	20.05	715.51
2. Depreciation	5.04	1,401.20
Profit/(Loss) Before Taxation	(278.89)	(2,193.91)
Less: Provision for Taxation		
Current Tax	-	-
Deferred Tax	-	(911.11)
Net Profit/(Loss) for the Year	(278.89)	(3,105.02)
Less: Income Tax paid for earlier year	-	-
Profit/(Loss) after Taxation	(278.89)	(3,105.02)
Add: Other Comprehensive Income /(Loss) for the Year	(7.69)	22.52
Total Comprehensive Income/(Loss) for the year	(286.58)	(3,082.50)
Less: Transfer to General Reserve	-	-
Balance carried forward	(286.58)	(3,082.50)

Note: Figures in brackets represent negative number.

2. COMPANY PERFORMANCE AND BUSINESS OVERVIEW

A detailed discussion of operations for the year ended 31st March, 2021 is provided in the Management Discussion and Analysis Report, which is presented in a separate section forming part of this Annual Report.

3. DIVIDEND

In view of losses, the Board of Directors of your company does not recommend dividend for the year under review.

4. TRANSFER TO RESERVE

The Company does not propose to transfer amounts to the general reserve for the financial year 2020-2021.

5. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

In March 2020, the World Health Organisation declared COVID-19 a global pandemic. Consequent to this, Government of India declared a nation-wide lockdown from 24th March, 2020. Subsequently, the nation-wide lockdown was lifted by the Government of India, but regional lockdowns continue to be implemented in areas with significant number of COVID-19 cases. The 'second wave' in March and April, 2021 further exacerbated the situation with Maharashtra suffering a high number of infections. Your Company has been continuously exploring various business prospects and in this regard, various meetings/visits were planned in the initial part of financial year 2021-22. However, with the statutory lockdown and various restrictions imposed by the State Government due to the second wave of the pandemic, the scheduled meetings/visits have been postponed and consequently the progress on the same has been slowed down.

Your Company is conscious of the significant disruption and impact of COVID-19 can have on its employees, prospective clients, partners, investors and the communities in which it is looking to operate. We are working hard to contain and mitigate its impact. The primary objectives of your Company's response to the pandemic are to ensure the safety and wellbeing of its employees and prospective partners, to deliver on its commitments to clients in the true spirit of partnership and to secure the financial and operational resilience of the Company.

As the situation is unprecedented, the Company is closely monitoring the situation as it evolves in the future.

6. CORPORATE GOVERNANCE

Reports on Corporate Governance and Management Discussion and Analysis, in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), along with a certificate from Auditors regarding compliance of the Corporate Governance are given separately in this Annual Report.

All Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for the financial year 2020-2021. A declaration to this effect signed by the Chief Executive Officer of the Company is contained in this annual report.

7. PUBLIC DEPOSIT

Your Company has not accepted any Public Deposits under Chapter V of the Companies Act, 2013.

DIRECTORS' REPORT (Contd.)**8. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)**

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Sangeeta Mandhana retires by rotation and being eligible, offers herself for re-appointment at the ensuing Annual General Meeting (AGM). Brief details of Mrs. Sangeeta Mandhana as required under Regulation 36(3) of Listing Regulations are provided in the notice of the ensuing Annual General Meeting. Necessary details shall also be annexed to the notice of the meeting in terms of Section 102(1) of the said Act, to the extent applicable.

During the year under review, Mr. Kiran Vaidya, Non-Executive and Independent Director of the Company stepped down from the Board w.e.f. 18th May, 2020 in order to pursue some of his personal interests. Mr. Pradip Dubhashi has resigned from the directorship of the Company w.e.f. 21st June, 2021 due to his inability to attend the meetings of the Board and the Committees constituted by the Board on account of adverse circumstances caused by the COVID-19 pandemic. Mr. Ramnath Pradeep has resigned as a Director of the Company w.e.f. 21st June, 2021 due to his ill-health. The Board places on record the contributions made by Mr. Dubhashi, Mr. Pradeep and Mr. Vaidya during their tenure with the Company.

The Company has received declarations from all the Independent Directors of the Company, confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, the Independent Directors, fulfill the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations.

Mr. Pankaj Gharat has resigned from the office of Chief Financial Officer ('CFO') of the Company w.e.f. 22nd February, 2021. The Board places on record the contributions made by Mr. Gharat during his tenure with the Company. Mr. Vishal Parikh has been appointed as the CFO of the Company w.e.f. 20th August, 2021.

The Board has appointed Mr. Pravin R. Navandar (DIN 02810786) and Mr. N. Venkateshwar Rao (DIN 09261084) as Additional Directors to hold office as Non-Executive & Independent Directors on the Board of the Company with effect from 17th August, 2021, till the conclusion of ensuing Annual General Meeting. The Nomination and Remuneration Committee and the Board have considered and recommend to the Shareholders for the appointment of Mr. Pravin R. Navandar and Mr. N. Venkateshwar Rao as Non-Executive & Independent Directors as set out in the Notice of AGM. The resolutions seeking Shareholders' approval for their appointments form part of the Notice of AGM.

During the year under review, none of the other KMP of the Company has resigned from their respective positions.

9. BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual directors, pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations. The Company has implemented a system of evaluating performance of the Board of Directors and of its Committees and individual Director on the basis of a structured questionnaire which comprises evaluation criteria taking into consideration various performance related aspects.

The Company's Independent Directors met on 12th March, 2021 without the presence of Executive Directors or Members of the Management. All the Independent Directors attended the Meeting. The Independent Directors opined that the Executive Directors shall contribute more to the deliberations in the Board and Committee Meetings of the Company.

10. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year, 7 (Seven) Board Meetings (including 2 adjourned Meetings) were convened and held.

Details of meetings of the Board and its Committees along with the attendance of the Directors therein, have been disclosed in the Corporate Governance Report (annexed herewith).

11. VIGIL MECHANISM / WHISTLE BLOWER POLICY FOR DIRECTORS AND EMPLOYEES

The Company has established a Vigil Mechanism, which includes a Whistle Blower Policy, for its Directors and Employees, to provide a framework to facilitate responsible and secure reporting of concerns of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics.

No Director/employee has been denied access to the Audit Committee of the Board of Directors. The Policy as approved by the Board may be accessed on the Company's website and the web-link to the same is <https://www.mrvlindia.com/codes-of-conduct-policies>

12. AUDIT COMMITTEE

As on 31st March, 2021, the Audit Committee comprised of four members viz. 3 Independent Directors and 1 Executive Director, given as under:

1.	Mr. Ramnath Pradeep – Chairman
2.	Mr. Pradip Dubhashi
3.	Mr. Mitesh Shah
4.	Mr. Priyavrat Mandhana

Subsequent to resignation of Mr. Kiran Vaidya (erstwhile Chairman of the Audit Committee) w.e.f. 18th May, 2020, Mr. Ramnath Pradeep was appointed as Chairman of the Committee w.e.f. 14th September, 2020. Mr. Mitesh Shah was inducted in the Committee w.e.f. 20th October, 2020. Mr. Pradip Dubhashi and Mr. Ramnath Pradeep ceased to be member of the Committee on 21st June, 2021 owing to their resignation from directorship of the Company. W.e.f. 17th August, 2021, Mr. Pravin Navandar and Mr. MVPH Rao were inducted in the Committee as a Member and Mr. Mitesh Shah was appointed as the Chairman of the Committee.

Further details on the Audit Committee are provided in the Corporate Governance Report (annexed herewith).

**DIRECTORS' REPORT (Contd.)****13. NOMINATION AND REMUNERATION POLICY**

The Board of Directors has formulated a Policy which lays down a framework for selection and appointment of Directors and Senior Management and for determining qualifications, positive attributes and independence of Directors.

The Policy also provides for remuneration of Directors, Members of Senior Management and Key Managerial Personnel.

The salient features of Nomination and Remuneration Policy are given under Annexure - 'A' to this Report and the detailed policy is available on the website of the Company at <https://www.mrvlindia.com/codes-of-conduct-policies>

14. RISK MANAGEMENT POLICY

The Company has an elaborate risk policy defining risk management governance model, risk assessment and Prioritization process. The risk management framework provides an integrated approach for identifying, assessing, mitigating, monitoring and reporting of all risks associated with the business of the Company. Although the Company is not mandatorily required to constitute the Risk Management Committee, in order to ensure effective risk management, the Board of Directors constituted the Risk Management Committee to monitor and review the key risks and adopt and implement measures to mitigate it.

The Audit Committee has additional oversight in the area of financial risks and controls.

15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act are provided below:

Particulars of Investment made/ Guarantee given and loan given	Name of the Entity	Amount (₹ in Crores)	Purpose for which Loan, Guarantee is proposed to be utilised by the recipient
Inter Corporate Loan	Munas Investment Pvt. Ltd.	8.30	General Corporate Purpose

16. RELATED PARTY TRANSACTIONS

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in ordinary course of business and on arm's length basis. During the year under review, the Company had not entered into any contract/arrangement/ transaction with related parties which could be considered material under Regulation 23 of Listing Regulations. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form No. AOC - 2 is not applicable. The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed through the following link: <https://www.mrvlindia.com/codes-of-conduct-policies>. Your Directors draw your attention to Note No. 34 to the financial statements which sets out related party disclosures including Transaction, if any, with person or entity belonging to the promoter/ promoter group which hold(s) 10% or more shareholding in the Company.

Prior omnibus approval is obtained on an annual basis for transactions with related parties which are of a foreseeable and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted and a statement giving details of all transactions with related parties are placed before the Audit Committee and Board of Directors for their review on periodical basis.

17. MANAGERIAL REMUNERATION**REMUNERATION TO DIRECTORS AND KEY MANAGERIAL PERSONNEL**

- i. The percentage increase in remuneration of each Director, Chief Executive Officer and Company Secretary during FY 2020-2021 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY 2020-2021 are as under:

Sr. No.	Name of Director /KMP and Designation	Remuneration of Director/ KMP for FY 2020-2021** (₹ in Lakh)	% increase in remuneration in FY 2020-2021	Ratio of remuneration of each Whole-Time Director to Median Remuneration of Employees
1	Mrs. Sangeeta Mandhana - Managing Director	65.60	-34.50%	14.36
2	Mr. Priyavrat Mandhana - Executive Director	65.60	-34.50%	14.36
4	Mr. Pradip Dubhashi - Non-Executive Chairman and Independent Director	6.50	N.A.	N.A.
5	Mr. Ramnath Pradeep® - Non-Executive and Independent Director	1.75	N.A.	N.A.
6	Mr. Kiran Vaidya® - Non-Executive and Independent Director	0.00	N.A.	N.A.

DIRECTORS' REPORT (Contd.)

Sr. No.	Name of Director /KMP and Designation	Remuneration of Director/ KMP for FY 2020-2021** (₹ in Lakh)	% increase in remuneration in FY 2020-2021	Ratio of remuneration of each Whole-Time Director to Median Remuneration of Employees
7	Mr. Mitesh Shah [@]	Nil	N.A.	N.A.
8	Mr. MVPH Rao [@]	Nil	N.A.	N.A.
9	Mr. Manish Mandhana - Chief Executive Officer	75.60	-24.51%	N.A.
10	Mr. Virendra Varma - Company Secretary	11.24	-25.05%	N.A.
11	Mr. Pankaj Gharat [#] - Chief Financial Officer	18.18	N.A.	N.A.

^{*} Mr. Kiran Vaidya resigned from the position of Non-Executive and Independent Director of the Company w.e.f. 18th May, 2020.

[#] Mr. Pankaj Gharat has resigned from the office of Chief Financial Officer of the Company w.e.f. 22nd February, 2021

[@] Mr. Mitesh Shah & Mr. MVPH Rao were appointed as the Non-Executive & Independent Directors of the Company w.e.f. 20th October, 2020. In view of prevailing business conditions of the Company, both, Mr. Shah & Mr. Rao, have waived the sitting fees payable to them during the FY 2020-21 and Mr. Ramnath Pradeep had also waived off the sitting fees payable to him for the Board and Committee Meetings attended by him during the FY 2020-21 except for the Board and Committee Meetings held on 9th February, 2021.

^{**} Exclusive of taxes.

Notes:

(1) Remuneration paid to each Whole-Time Director and KMP includes Salary, allowances, company's contribution to provident fund and monetary value of perquisites, if any. The remuneration paid to Non-Executive and/or Independent Directors comprises of sitting fees only. (2) Mr. Pradip Dubhashi and Mr. Ramnath Pradeep ceased to be a director of the Company w.e.f. 21st June, 2021 and Mr. Pravin Navandar and Mr. N. Venkateshwar Rao have been inducted on the Board w.e.f. 17th August, 2021. (3) Mr. Vishal Parikh has been appointed as Chief Financial Officer of the Company w.e.f. 20th August, 2021.

- ii. The median remuneration of employees of the Company during FY 2020-2021 was ₹ 4.57 Lakh per annum;
- iii. In the financial year under review, there was a decline of 16.94% in the median remuneration of employees;
- iv. There were 28 permanent employees on the rolls of the Company as on 31st March, 2021;
- v. Average percentage decrease in the salaries of employees other than the managerial personnel in the last financial year i.e. FY 2020-2021 was 18.27% as compared to FY 2019-2020. As regards comparison of Managerial Remuneration of FY 2020-2021 over FY 2019-2020, details of the same are given in the above table at sr. no. (i);
- vi. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Details of employee remuneration as required under provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate statement and forms part of the Annual Report. Further in terms of Section 136 of the Act and other applicable provisions of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, this report is being sent to the Members excluding the said statement. The said statement is available for inspection of member upto the date of the Annual General Meeting and shall be made available to any shareholder on request made to the Company at cs@tmrvl.com.

18. STATUTORY AUDITORS AND AUDITORS' REPORT

M/s. BSR & Co. LLP, Chartered Accountants, (Firm Registration No. 101248W/W-100022), have, due to lack of consensus over the proposal of reduction in audit fees for the FY 2020-21, resigned from the office of Statutory Auditors w.e.f. 12th November, 2020, resulting into a casual vacancy in the office of Statutory Auditors of the company as envisaged under section 139(8) of the Companies Act, 2013 ("Act"). As per the recommendation of the Audit Committee and the Board of Directors, the Members of the Company has through postal ballot process appointed M/s. Ram Agarwal & Associates, Chartered Accountants, (Firm Registration No. 140954W) as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. BSR & Co. LLP and who holds office from 11th December, 2020 up to the conclusion of the ensuing 10th Annual General Meeting of the Company.

In accordance with section 139 of the Companies Act, 2013, the Board of Directors on recommendation of Audit Committee, in its meeting held on 25th August, 2021 has recommended the appointment of M/s. Ram Agarwal & Associates, Chartered Accountants, (Firm Registration No. 140954W), as the Statutory Auditors of the Company for a period of 5 years to hold office until the conclusion of the 15th Annual General Meeting of the Company to be held in calendar year 2026. M/s. Ram Agarwal & Associates, Chartered Accountants, have consented to act as the Statutory Auditors of the Company.

The Statutory Auditor has given a disclaimer opinion on the financial statements of the Company for the financial year 2020-2021 for the going concern status of the Company on account of loss of 'Being Human' Trademark and lack of sufficient appropriate evidences about the future business plans and operations of the



DIRECTORS' REPORT (Contd.)

Company and the materialisation of alternatives that are being considered by the Management.

With regard to the aforesaid opinion of the Statutory Auditor, the Management hereby states that the Management has responded with speed to rework its business strategy to meet the uncertainty arising out of the aforesaid event. The Management believes its business plan is amply supported by the core team that it has nurtured over the years and liquidity, inter alia, arising out of the transaction with the Being Human-The Salman Khan Foundation and its new licensee. The Management has held back the roll out of the plan given the disruption caused in the economy and its target markets by the pandemic. Given the current indication, it would be reasonable to expect helpful conditions for roll out during the FY 2021-22. The Management, therefore, is of the opinion that there are reasonable grounds to believe that there is no material impact due to the aforesaid disclaimer on 'going concern' status by the Auditors.

The Board of Directors has given serious weightage to the views of the Statutory Auditors. It has also received the views of the Management on its strategy to meet the extenuating developments in its business model and the uncertainty in the economy caused by the pandemic. On balance, the Board is of the view, given the uncertainty and disruption caused by the pandemic, it is advisable to tread with caution and feels reasonably confident that the Management will be able to operationalise the business plan as presented to the Board and the Company' status as a 'going concern' can reasonably be assured thereby.

The Notes to the financial statements referred in the Auditors Report are self-explanatory and therefore do not call for any further comments under Section 134 of the Companies Act, 2013. The Auditors' Report is enclosed with the financial statements in this Annual Report.

There is no incident of fraud requiring reporting by the auditors under Section 143(12) of the Companies Act, 2013.

19. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Rules made thereunder, the Company has appointed Mr. Nitin R. Joshi, Practicing Company Secretary (Certificate of Practice No. 1884 and Membership No. FCS- 3137) as the Secretarial Auditor of the Company. The Secretarial Audit Report is annexed as Annexure - 'B' and forms an integral part of this Report. The Company has complied with all the applicable secretarial standards.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark. The statements referred in the Secretarial Audit Report are self-explanatory and therefore do not call for any further comments under Section 134 of the Companies Act, 2013.

20. CORPORATE SOCIAL RESPONSIBILITY

The Company is not falling under any of the applicability criterion of CSR as mentioned under the provisions of Section 135 of the Companies Act, 2013 as amended. A brief outline/salient features of the Company's Corporate Social Responsibility ('CSR') Policy and the Annual Report on CSR activities undertaken by the Company as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is provided in Annexure - 'C' forming part of this Report.

21. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company has no subsidiary, Joint Venture and Associate Company as on 31st March, 2021.

22. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

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

23. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has adequate internal financial controls in place with reference to financial statements. These are continually reviewed by the Company to strengthen the same wherever required. The internal control systems are supplemented by internal audit carried out by an independent firm of Chartered Accountants and periodical review by the Management. The Audit Committee of the Board addresses issues raised by both, the Internal Auditors and the Statutory Auditors.

24. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under sub section (3) (c) and (5) of Section 134 of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i) in the preparation of the annual accounts for the financial year ended 31st March, 2021, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit/loss of the Company for the year under review;
- iii) the Directors 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;

DIRECTORS' REPORT (Contd.)

- iv) the Directors have prepared the annual financial statements on a going concern basis;
- v) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and
- vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

25. PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as per section 134(3)(2) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 for the year ended 31st March, 2021 are provided under Annexure - 'D' to this report.

26. ANNUAL RETURN

Pursuant to the provisions of Section 92(1) read with Rule 12 of Companies (Management & Administration) Rules, 2014 and Section 134(3)(a) of the Companies Act, 2013 ('Act') as amended, the Annual Return in Form MGT-7 is uploaded on the website of the Company and the web link of which is: <https://www.mrvlindia.com/codes-of-conduct-policies-copy-3>

27. COST RECORDS AND COST AUDIT

Maintenance of cost records and requirements of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

28. OTHERS

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

1. The details relating to deposits, covered under Chapter V of the Act, since neither the Company has accepted deposits during the year under review nor there were any deposits outstanding during the year.
2. Details relating to issue of sweat equity shares, stock options, and shares with differential rights as to dividend, voting or otherwise, since there was no such issue of shares.
3. None of the Whole-Time Directors of the Company received any remuneration or commission from any of its subsidiaries.

Your Directors further state that the company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and during the year under review, there were no cases filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

29. ACKNOWLEDGEMENT

The Directors take this opportunity to thank the Shareholders, Financial Institutions, Banks, Customers, Suppliers, Regulators, Government Authorities – Central and State Government & Local.

The Directors also place on record their appreciation to the employees at all levels for their hard work, dedication and commitment.

For and on behalf of the Board of Directors
The Mandhana Retail Ventures Limited

Sangeeta Mandhana
Managing Director
DIN: 06934972

Priyavrat Mandhana
Executive Director
DIN: 02446722

Place: Mumbai
Date : 25th August, 2021



ANNEXURE - 'A' TO DIRECTORS' REPORT

SALIENT FEATURES OF NOMINATION AND REMUNERATION POLICY ALONG WITH THE CHANGES MADE THEREIN

The Nomination and Remuneration Policy ('NR Policy') of the Company has been formulated with a view to:

1. devise a transparent system of determining the appropriate level of remuneration throughout all levels of employees and teams in the Company;
2. encourage personnel to perform to their highest level;
3. provide consistency in remuneration throughout the Company;
4. offer incentives on the premise of aligning the performance of the business with the performance of key employees and teams within the Company; and
5. set out the approach to diversity on the Board.

The NR Policy elucidates the types of remuneration to be offered by the Company and factors to be considered by the Board of Directors of the Company, Nomination and Remuneration Committee and management of the Company in determining the appropriate remuneration policy for the Company.

The NR Policy applies to the Company's senior management employees, including its Key managerial personnel and Board of Directors.

The NR Policy also acts as a guide in evaluating the performance of the officers of the Company which are two level below the Board and states that such evaluation shall be carried out by the Managing Director in consultation with CEO and Head-HR and a summary of the evaluation carried out shall also be placed annually before the Nomination and Remuneration Committee for its approval.

The policy represents the overreaching approach of the Company to the remuneration of Directors, KMPs and other employees. The detailed policy is available on the Company's website at <https://www.mrvlindia.com/codes-of-conduct-policies>

For and on behalf of the Board of Directors

The Mandhana Retail Ventures Limited

Sangeeta Mandhana

Managing Director

DIN: 06934972

Priyavrat Mandhana

Executive Director

DIN: 02446722

Place: Mumbai

Date : 25th August, 2021