

# EMERGENT INDUSTRIAL SOLUTIONS LIMITED

(formerly Emergent Global Edu and Services Limited)

CIN L80902DL1983PLC209722

Regd. Office: 8-B, 'Sagar', 6, Tilak Marg, New Delhi – 110 001;

Phones: (91) (11) 2378 2022, 2338 2592 ; Fax: (91) (11) 2378 2806, 23381914 ;

Email: [sotl@somanigroup.com](mailto:sotl@somanigroup.com); [cs@somanigroup.com](mailto:cs@somanigroup.com); Website: [www.eesl.in](http://www.eesl.in)

September 4, 2023

Manager – Listing,  
Corporate Relationship Department  
Bombay Stock Exchange Limited,  
Floor 25, Phiroze Jeejeebhoy Towers,  
Dalal Street,  
**Mumbai –400 001**

**Scrip Code: 506180**

**Subject: Compliance of Regulation 34 of the Securities and Exchange Board of India  
(Listing Obligations and Disclosure Requirements), 2015**

Dear Sir,

In compliance of the captioned Regulations, we are enclosing herewith the Annual Report of the 40<sup>th</sup> Annual General Meeting of the Company to be held on Friday, the 29<sup>th</sup> September, 2023.

Thanking you,

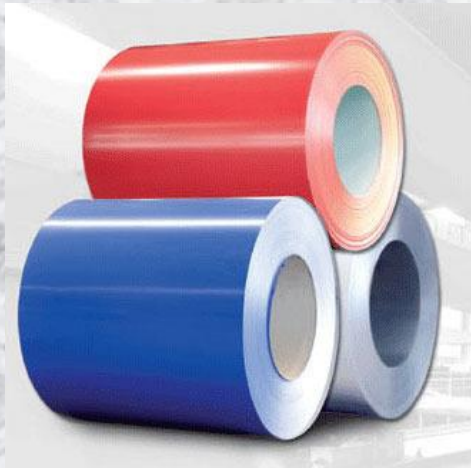
Yours faithfully,  
For Emergent Industrial Solutions Limited

(Sabina Nagpal)  
Company Secretary and Law Officer

Encl:a/a



# 40<sup>th</sup> ANNUAL REPORT 2022-23



**EMERGENT INDUSTRIAL SOLUTIONS LIMITED**  
(Formerly Emergent Global Edu and Services Limited)



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**(Formerly EMERGENT GLOBAL EDU AND SERVICES LIMITED)**  
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**Email : [cs@somanigroup.com](mailto:cs@somanigroup.com); [sotl@somanigroup.com](mailto:sotl@somanigroup.com); website : [www.eesl.in](http://www.eesl.in)**

**CORPORATE INFORMATION**

<b>BOARD OF DIRECTORS</b>	Mr. Tarun Somani Chairman and Non-Executive Director
	Mr. Rakesh Suri Non-Executive Independent Director
	Mrs. Shobha Sahni Women-Non-Executive Non-Independent Director
	Mr. Vikram Modi Non-Executive Independent Director
<b>AUDIT COMMITTEE</b>	Mr.Rakesh Suri Mr.Vikram Modi Mr.Tarun Somani
<b>NOMINATION AND REMUNERATION COMMITTEE</b>	Mr.Vikram Modi Mr.Rakesh Suri Mr.Tarun Somani
<b>STAKEHOLDERS RELATIONSHIP COMMITTEE</b>	Mr.Rakesh Suri Mr.Vikram Modi Mr.Tarun Somani
<b>REGISTERED OFFICE</b>	8B, 'Sagar '6, Tilak Marg New Delhi – 110 001, India
<b>CIN</b>	L80902DL1983PLC209722
<b>EMAIL ID</b>	<a href="mailto:cs@somanigroup.com">cs@somanigroup.com</a> <a href="mailto:sotl@somanigroup.com">sotl@somanigroup.com</a>
<b>WEBSITE</b>	<a href="http://www.eesl.in">www.eesl.in</a>
<b>LISTING</b>	Bombay Stock Exchange
<b>SCRIP CODE</b>	506180
<b>ISIN</b>	INE668L01013



<b>BANKERS</b>	Canara Bank ICICI Bank HDFC Bank
<b>STATUTORY AUDITORS</b>	O P Bagla & Co LLP (Chartered Accountants) New Delhi
<b>INTERNAL AUDITORS</b>	Anuj Kumar & Associates (Chartered Accountants) New Delhi
<b>SECRETARIAL AUDITORS</b>	Kumar Wadhwa & Co. (Company Secretaries), New Delhi
<b>SHARE TRANSFER AGENT</b>	RCMC Share Registry Private Limited 25/1, Okhla Industrial Area, New Delhi-110020
<b>CHIEF EXECUTIVE OFFICER</b>	Mr. Vikash Rawal
<b>CHIEF FINANCIAL OFFICER</b>	Mr. Atul Gupta (we.f 27.4.2023)
<b>COMPANY SECRETARY AND LAW OFFICER</b>	Mrs. Sabina Nagpal



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## **NOTICE OF THE ANNUAL GENERAL MEETING**

**Dear Members,**

Notice is hereby given that the 40<sup>th</sup> Annual General Meeting of the members of **Emergent Industrial Solutions Limited** (formerly Emergent Global Edu and Services Limited) will be held on Friday, 29<sup>th</sup> September, 2023 at 10:30 A.M IST at Supremework Coworking space, D-57, 100 Feet Rd, Pocket D, Chattarpur hills, Chattarpur Enclave, Chattarpur, New Delhi, 110074 to transact the following business:

### **I. ORDINARY BUSINESS:**

#### **1. Ordinary Resolution for Adoption of Audited Financial Statements**

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

"To receive, consider and adopt:

- i. The Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2023 together with reports of Directors and Statutory Auditors thereon; and
- ii. The Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2023 together with reports of the Statutory Auditors thereon."

#### **2. Ordinary Resolution for Appointment of Director**

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

"RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Tarun Somani, (DIN 00011233), who retires by rotation and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

### **II. SPECIAL BUSINESS:**

#### **3. Approval for Related Party Transactions with Indo German Resources DMCC, Dubai at arm's length and in ordinary course of business**

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

"**RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Company's policy on Related Party transaction(s), approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/arrangement(s)/transaction(s) with M/s Indo German Resources DMCC, Dubai (IGRD), being a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for purchase of Coal, Coke, steel, iron ore, ferro alloys, ores including manganese ore and related raw materials, on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value of Rs.300 Crore (Rupees Three Hundred Crores) for the financial year 2023-24, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to do or perform all such acts, deeds, matters and things, as may be necessary, including finalizing the terms and conditions, methods and modes in respect thereof and finalizing and executing necessary documents, including contracts, agreements and other documents, file applications and make representations in respect thereof



and seek approval from relevant authorities including Governmental authorities in this regard if required, and to deal with any matters, take necessary steps as the Board may in its absolute discretion deem necessary, desirable and expedient to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the Members shall be deemed to have given thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this resolution are hereby approved, ratified and confirmed in all respects."

**4. Approval for Related Party Transactions with Indo International Trading FZCo, Dubai at arm's length and in ordinary course of business**

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

"**RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Company's policy on Related Party transaction(s), approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/arrangement(s)/transaction(s) with M/s Indo International Trading FZCO, Dubai (IIT), being a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for purchase of Coal, Coke, steel, iron ore, ferro alloys, ores including manganese ore and related raw materials, on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value of Rs.300 Crore (Rupees Three Hundred Crores) for the financial year 2023-24, provided that the said contract(s)/arrangement(s)/transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to do or perform all such acts, deeds, matters and things, as may be necessary, including finalizing the terms and conditions, methods and modes in respect thereof and finalizing and executing necessary documents, including contracts, agreements and other documents, file applications and make representations in respect thereof and seek approval from relevant authorities including Governmental authorities in this regard if required, and to deal with any matters, take necessary steps as the Board may in its absolute discretion deem necessary, desirable and expedient to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the Members shall be deemed to have given thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this resolution are hereby approved, ratified and confirmed in all respects."



**5. Approval for Related Party Transactions with Indo Intertrade Ag, Switzerland at arm's length and in ordinary course of business**

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

**"RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Company's policy on Related Party transaction(s), approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/arrangement(s)/transaction(s) with M/s Indo Intertrade Ag, Switzerland (IIAG), being a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for purchase of Coal, Coke, steel, iron ore, ferro alloys, ores including manganese ore and related raw materials, on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value of Rs.100 Crores (Rupees One Hundred Crores) for the financial year 2023-24, provided that the said contract(s)/arrangement(s)/ transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to do or perform all such acts, deeds, matters and things, as may be necessary, including finalizing the terms and conditions, methods and modes in respect thereof and finalizing and executing necessary documents, including contracts, agreements and other documents, file applications and make representations in respect thereof and seek approval from relevant authorities including Governmental authorities in this regard if required, and to deal with any matters, take necessary steps as the Board may in its absolute discretion deem necessary, desirable and expedient to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the Members shall be deemed to have given thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this resolution are hereby approved, ratified and confirmed in all respects."

**By Order of the Board of Directors  
For Emergent Industrial Solutions  
Limited**

**Date: 14.08.2023**

**Place: New Delhi**

**Sd/  
(Sabina Nagpal)  
Company Secretary and Law Officer  
ACS 15796**

**Notes:**

- a. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ("Act"), in respect of the special business to be transacted at the meeting under Item No. 3 to 5 is annexed hereto.





- b. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the Meeting.
- c. Pursuant to Section 91 of the Companies Act 2013, the Register of Members and the Share Transfer books of the Company will be closed from Saturday, 23<sup>rd</sup> September, 2023 to Friday, 29<sup>th</sup> September, 2023 (both days inclusive) for the purpose of the Annual General Meeting.
- d. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting at company's email id: [cs@somanigroup.com](mailto:cs@somanigroup.com).
- e. In case of Joint holders attending the Meeting, only such Joint Holder who is higher in the order of names will be entitled to vote.
- f. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat Accounts. Members holding shares in physical form can submit their PAN details to the Company/RTA.
- g. Details under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
- h. Non-Resident Indian Members are requested to inform RTA, immediately of:
- (i) Change in their residential status on return to India for permanent settlement.
  - (ii) Particulars of their bank account maintained in India with complete name, branch account type, account number and address of the bank with pin code number, if not furnished earlier.
- i. In compliance with relevant MCA circulars and SEBI Circulars, Electronic copy of the notice of the 40<sup>th</sup> Annual General Meeting of the Company, annual report, notice of e-voting inter alia indicating the process and manner of e-Voting along with Attendance Slip and Proxy Form is being sent only through electronic mode to all the members whose email IDs are registered with the Company/Depository Participants(s). Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to the Company. Notice of the 40<sup>th</sup> AGM and the copies of audited financial statements, Board's Report, Auditor's Report etc. will also be displayed on Company's website [www.eesl.in](http://www.eesl.in) and on the website of Bombay Stock Exchange (BSE) [www.bseindia.com](http://www.bseindia.com) and on the website of NSDL (agency providing remote e-voting facility) <https://evoting.nsdl.com> . The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the "**cut-off date**" of Friday, the 22<sup>nd</sup> September, 2023.
- j. The Board has appointed Mr. Neeraj Sharma, of M/s Neeraj & Associates, Practicing Company Secretaries, New Delhi (CP No. 23057) as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- k. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than forty-eight hours 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. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.eesl.in](http://www.eesl.in) and on the website of NSDL. The results shall also be immediately forwarded to the Bombay Stock Exchange Limited, Mumbai.



- l. The Ministry of Corporate Affairs (MCA) vide circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively has taken a 'Green Initiative in Corporate Governance' and allowed Companies to send communication to the shareholders through electronic mode. Members are requested to support this Green Initiative by registering/updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with the Company or its Transfer Agent.
- m. The notice of AGM is being sent to those members, whose names appear in the Register of Members as on Friday, the 1<sup>st</sup> September, 2023.
- n. In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), securities of listed companies can only be transferred in dematerialized form with effect from April 1, 2019, except in case of transmission or transposition of securities. In view of the above, Members are advised to dematerialize shares held by them in physical form.
- o. Members are requested to follow the process detailed below and intimate changes, if any, pertaining to their name, postal address, e-mail 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.

Type of Holder	Process to be followed	
	For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company, RCMC Share Registry Private Limited either by email to <a href="mailto:investor.services@rcmcmdelhi.com">investor.services@rcmcmdelhi.com</a> or <a href="mailto:mdnair@rcmcmdelhi.com">mdnair@rcmcmdelhi.com</a> or by post to M/S RCMC Share Registry Private Limited, Registered Office: B-25/1, Okhla Industrial Area Phase-II, New Delhi - 110020	
Physical	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode	<b>Form ISR-1</b>
	For nomination as provided in the Rules 19 (1) of Companies (Share capital and Debenture) Rules, 2014	<b>FormSH13</b>
	Confirmation of Signature of securities holder by the Banker	<b>Form ISR-2</b>
	Declaration to opt out	<b>Form ISR-3</b>
	Cancellation or variation of nomination by the holder(s)	<b>Form SH-14</b>
	Form for requesting issue of Duplicate Certificate and other service requests for shares /debentures / bonds, etc., held in physical form	<b>Form ISR-4</b>
Demat	Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your DP	

- p. The route map of the venue is annexed hereto.
- q. VOTING THROUGH ELECTRONIC MEANS: i) Members can exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means. The facility of casting votes by members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- ii) The remote e-voting will commence on **Tuesday, 26<sup>th</sup> September, 2023 at 9:00 AM and ends on Thursday, 28<sup>th</sup> September, 2023 at 5:00 PM**. During this period, the Members of the Company, holding shares either in physical form or in dematerialised form, as on the **cut-off date i.e. Friday, the 22<sup>nd</sup> September, 2023**, may cast their vote electronically. The e-voting module shall be disabled by NSDL



thereafter. Once the vote on the resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast vote again.

iii) Facility for voting through ballot paper shall also be available at the AGM. Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot papers. There shall be no voting by show of hands at the AGM.

iv). Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

r. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10:00 am to 5.00 pm) on all working days except Saturday, up to and including the date of the Annual General Meeting of the Company.

***By Order of the Board of Directors***  
**For Emergent Industrial Solutions Limited**

**Date: 14.08.2023**  
**Place: New Delhi**

***Sd/***  
**(Sabina Nagpal)**  
**Company Secretary and Law Officer**  
**ACS- 15796**



## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **Item No.3**

#### **Approval for Related Party Transactions with Indo German Resources DMCC, Dubai at arm's length and in ordinary course of business**

Approval of the members is sought for the Company to enter into related party transactions in ordinary course of business and on arm's length basis in compliance with the applicable provisions of the Act.

To ensure stability of supplies in terms of quality, quantity and logistics, your Company proposes to enter into transaction(s) for purchase of steel, coal, coke iron ore, ferro alloys and allied raw materials with Indo German Resources DMCC, Dubai (IGRD), which is a related party of your Company. The total value of the proposed transaction(s) could reach approx. Rs.300 Crores (Rupees Three Hundred Crores) during financial year 2023-24.

As a good governance practice, approval of the shareholders is being sought for the said Related Party Transaction(s) proposed to be entered into by your Company with IGRD in the financial year 2023-24. Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the transaction(s) with IGRD are as follows:

- a) Name of Related Party: Indo German Resources DMCC, Dubai
- b) Name of Director or KMP who is interested: Mr. Tarun Somani
- c) Nature of relationship: Fellow Associate
- d) Nature, material terms, monetary value and particulars of contracts or arrangements: The transaction involves purchase of coal, coke, steel, iron ore, ferro alloys, ores including manganese ore for an aggregate value of upto Rs.300 crores (Rupees Three hundred crores only) in the financial year 2023-24.
- e) Background of transaction: Cost effective and consistent supplies of commodities are the key requirements for the Company. The Company intends to procure bulk quantities to ensure consistent quantities.
- f) Rationale for procuring from Indo German Resources DMCC, Dubai: Indo German Resources DMCC, Dubai by virtue of the quantities, it procures is in a better position to negotiate better rates/pricing from global suppliers and miners.

The said transactions have been recommended by the Audit Committee and Board of Directors for consideration and approval of members of the Company.

The Board of Directors recommends the Ordinary Resolution as set out at Item No. 3 of the accompanying Notice, for Members' approval.

Except Mr.Tarun Somani along with his relatives, none of the other Directors and Key Managerial personnel of the Company and/or their respective relatives are in any way, concerned or interested either directly or indirectly, in the resolution mentioned at Item No.3 of this Notice.

### **Item No.4**

#### **Approval for Related Party Transactions with Indo International Trading FZCo, Dubai at arm's length and in ordinary course of business**

Approval of the members is sought for the Company to enter into related party transactions in ordinary course of business and on arm's length basis in compliance with the applicable provisions of the Act.

To ensure stability of supplies in terms of quality, quantity and logistics, your Company proposes to enter into transaction(s) for purchase of steel, coal, coke iron ore, ferro alloys and allied raw materials with Indo International Trading FZCo, Dubai (IIT), which is a related party of your Company. The total value of the proposed transaction(s) could reach approximately Rs.300 Crores (Rupees Three Hundred Crores) during financial year 2023-24.

As a good governance practice, approval of the shareholders is being sought for the said Related Party Transaction(s) proposed to be entered into by your Company with IIT in the financial year 2023-24. Pursuant to



Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the transaction(s) with IIT are as follows:

- a) Name of Related Party: Indo International Trading FZCO, Dubai
- b) Name of Director or KMP who is interested: Mr. Tarun Somani
- c) Nature of relationship: Common directorship of Mr. Tarun Somani
- d) Nature, material terms, monetary value and particulars of contracts or arrangements: The transaction involves purchase of coal, coke, steel, iron ore, ferro alloys, ores including manganese ore for an aggregate value of Rs.300 crores (Rupees Three hundred crores only) in the financial year 2023-24.
- e) Background of transaction: Cost effective and consistent supplies of commodities are the key requirements for the Company. The Company intends to procure bulk quantities to ensure consistent quantities.

Rationale for procuring from Indo International Trading FZCO: Indo International Trading FZCO by virtue of the quantities it procures is in a better position to negotiate better rates/pricing from global suppliers and miners.

The said transactions have been recommended by the Audit Committee and Board of Directors for consideration and approval of members of the Company.

The Board of Directors recommends the Ordinary Resolution as set out at Item No. 4 of the accompanying Notice, for Members' approval.

Except Mr. Tarun Somani along with his relatives, none of the other Directors and Key Managerial personnel of the Company and/or their respective relatives are in any way, concerned or interested either directly or indirectly, in the resolution mentioned at Item No. 4 of this Notice.

#### **Item No.5**

#### **Approval for Related Party Transactions with Indo Intertrade Ag, Switzerland at arm's length and in ordinary course of business**

Approval of the members is sought for the Company to enter into related party transactions in ordinary course of business and on arm's length basis in compliance with the applicable provisions of the Act.

To ensure stability of supplies in terms of quality, quantity and logistics, your Company proposes to enter into transaction(s) for purchase of steel, coal, coke iron ore, ferro alloys and allied raw materials with Indo Intertrade Ag, Switzerland (IIAG), which is a related party of your Company. The total value of the proposed transaction(s) could reach approx. Rs.100 Crores (Rupees One Hundred Crores) during financial year 2023-24.

As a good governance practice, approval of the shareholders is being sought for the said Related Party Transaction(s) proposed to be entered into by your Company with IIAG in the financial year 2023-24. Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the transaction(s) with IIAG are as follows:

- a) Name of Related Party: Indo Intertrade AG, Switzerland
- b) Name of Director or KMP who is interested: Mr. Tarun Somani
- c) Nature of relationship: Common directorship of Mr. Tarun Somani
- d) Nature, material terms, monetary value and particulars of contracts or arrangements: The transaction involves purchase of coal, coke, steel, iron ore, ferro alloys, ores including manganese ore for an aggregate value of Rs.100 crores (Rupees One hundred crores only) in the financial year 2023-24.
- e) Background of transaction: Cost effective and consistent supplies of commodities are the key requirements for the Company. The Company intends to procure bulk quantities to ensure consistent quantities.

Rationale for procuring from Indo Intertrade AG: Indo Intertrade AG by virtue of the quantities it procures is in a better position to negotiate better rates/pricing from global suppliers and miners.

The said transactions have been recommended by the Audit Committee and Board of Directors for consideration and approval of members of the Company.

The Board of Directors recommends the Ordinary Resolution as set out at Item No. 5 of the accompanying Notice, for Members' approval.



Except Mr. Tarun Somani along with his relatives, none of the other Directors and Key Managerial personnel of the Company and/or their respective relatives are in any way, concerned or interested either directly or indirectly, in the resolution mentioned at Item No. 5 of this Notice.

**By Order of the Board of Directors  
For Emergent Industrial Solutions  
Limited**

**Date: 14.08.2023**  
**Place: New Delhi**

**Sd/  
(Sabina Nagpal)  
Company Secretary and Law Officer  
ACS:15796**

**Annexure to the Notice**

**Details of the Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting**

(Pursuant to Regulations 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard (SS II) on General Meetings by ICSI)

<b>Particulars</b>	
Name	Mr. Tarun Somani
Date of Birth	06/12/1960
DIN	00011233
Qualification	Post Graduate
Expertise in specific functional areas	Marketing, International Trading, Business Development, Management
Directorship held in other public Companies	IndoIt Real Estates Limited
Membership/Chairmanship of committees of other public companies (includes only Audit Committees and Stakeholders Relationship Committee)	Nil
Number of shares held in the company	92750
Relationship with other directors and key managerial personnel of the company	None



**EMERGENT INDUSTRIAL SOLUTIONS LIMITED**  
**(Formerly EMERGENT GLOBAL EDU AND SERVICES LIMITED)**  
**CIN L80902DL1983PLC209722**

**Regd. Office: 8-B, 'Sagar', 6, Tilak Marg, New Delhi – 110 001;**  
**Phones : (91) (11) 2378 2022, 2338 2592 ; Fax : (91) (11) 2378 2806, 23381914 ;**  
**Email : [cs@somanigroup.com](mailto:cs@somanigroup.com) ; [sotl@somanigroup.com](mailto:sotl@somanigroup.com) website : [www.eesl.in](http://www.eesl.in)**

**Form No. MGT-11**

**Proxy form**

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

CIN: **L80902DL1983PLC209722**

Name of the Company: **EMERGENT INDUSTRIAL SOLUTIONS LIMITED (formerly EMERGENT GLOBAL EDU  
AND SERVICES LIMITED)**

Registered office: 8B, SAGAR APARTMENTS, 6, TILAK MARG, NEW DELHI-110001

Name of Member(s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID:

I/We, being the member (s) of ..... shares of the above-named Company, hereby appoint

1. Name:

Address:

E-mail Id:

Signature:

or failing him

2. Name:

Address:

E-mail Id:

Signature:

or failing him

3. Name:

Address:

E-mail Id:

Signature:

**as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 40<sup>th</sup> Annual  
General Meeting of the Company, to be held on Friday, 29<sup>th</sup> September, 2023 at 10:30 A.M. at  
Supremework Coworking space - D-57, 100 Feet Rd, Chattarpur Hills, Pocket D, Chattarpur Enclave,  
Chattarpur, New Delhi, 110074 and at any adjournment thereof in respect of such resolutions as are  
indicated below:**

Sr. No.	RESOLUTIONS	Optional	
		For	Against
1.	Ordinary Resolution for adoption of: i. The Audited Standalone Financial Statements of the		



	<p>Company for the Financial Year ended 31<sup>st</sup> March, 2023 together with reports of the Directors and Auditors thereon.</p> <p>ii. The Audited Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2023 together with reports of the Auditors thereon.</p>		
2.	<p>Ordinary Resolution to appoint Mr.Tarun Somani (DIN 00011233) who retires by rotation and being eligible has offered himself for re-appointment be and is hereby re-appointed as a Director of the Company</p>		
<b>Special Business</b>			
3.	<p>Ordinary Resolution for Approval of Related Party Transactions with Indo German Resources DMCC, Dubai for Rs.300 crores (Rupees Three Hundred Crores only) at arm's length and in ordinary course of business.</p>		
4.	<p>Ordinary Resolution for Approval of Related Party Transactions with Indo International Trading FZCo, Dubai for Rs.300 crores (Rupees Three Hundred Crores only) at arm's length and in ordinary course of business.</p>		
5.	<p>Ordinary Resolution for Approval of Related Party Transactions with Indo Intertrade AG, Switzerland for Rs.100 crores (Rupees One Hundred Crores only) at arm's length and in ordinary course of business.</p>		

Signed this..... day of..... 2023

Affix Revenue  
Stamp

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.





**Attendance Slip**

(To be presented at the entrance)

**40<sup>th</sup> Annual General Meeting on Friday, 29<sup>th</sup> September, 2023 at 10:30 A.M. at** Supremework Coworking space - D-57, 100 Feet Rd, Chattarpur Hills, Pocket D, Chattarpur Enclave, Chattarpur, New Delhi 110074

Folio No.

DP ID No.

Client ID No.

Name of the Member:

Signature:

Name of the Proxy holder:

Signature:

I hereby record my presence at the 40<sup>th</sup> Annual General Meeting of the Company held on Friday, 29th September, 2023 at 10:30 A.M. at Supremework Coworking space - D-57, 100 Feet Rd, Chattarpur Hills, Pocket D, Chattarpur Enclave, Chattarpur, New Delhi, 110074

1. Only Member/Proxy holder can attend the Meeting.
  2. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.
-



**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER: -**

The remote e-voting period begins on Tuesday, 26<sup>th</sup> September, 2023 at 9:00 AM and ends on Thursday, 28<sup>th</sup> September, 2023 at 5:00 PM.

The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, the 22<sup>nd</sup> September, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, the 22<sup>nd</sup> September, 2023.

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

**Type of shareholders**

Individual Shareholders holding securities in demat mode with NSDL.

**Login Method**

1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. <https://eservices.nsd.com> either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner**" icon under "**Login**" which is available under '**IDeAS**' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "**Access to e-Voting**" under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsd.com>. Select "**Register Online for IDeAS Portal**" or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
2. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.
3. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience.



**NSDL Mobile App is available on**

 **App Store**       **Google Play**



Individual Shareholders holding securities in demat mode with CDSL

- Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or [www.cdslindia.com](http://www.cdslindia.com) and click on New System Myeasi.
- After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote.
- If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>
- Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.

Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43



**B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**



6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

### **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

#### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [csneerajsharma7@gmail.com](mailto:csneerajsharma7@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms.Pallavi Mhatre at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).



**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), (self-attested scanned copy of Aadhar Card) by email to [cs@somanigroup.com](mailto:cs@somanigroup.com) or [sotl@somanigroup.com](mailto:sotl@somanigroup.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [cs@somanigroup.com](mailto:cs@somanigroup.com) or [sotl@somanigroup.com](mailto:sotl@somanigroup.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**Process for those shareholders whose email ids are not registered with the depositories/company for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

5. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [cs@somanigroup.com](mailto:cs@somanigroup.com) or [sotl@somanigroup.com](mailto:sotl@somanigroup.com)
  6. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [cs@somanigroup.com](mailto:cs@somanigroup.com) or [sotl@somanigroup.com](mailto:sotl@somanigroup.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode.**
  7. Alternatively, shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
  8. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
-



**DIRECTORS' REPORT**

To,  
The Members,  
**Emergent Industrial Solutions Limited**

Your Directors have pleasure in presenting the 40<sup>th</sup> Annual Report on the Business and Operations along with the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2023.

**FINANCIAL PERFORMANCE**

The Financial Performance for the Financial Year ended 31<sup>st</sup> March, 2023 are summarized below:

**(Rs. In Lacs)**

S. NO.	PARTICULARS	Standalone		Consolidated	
		2022-23	2021 - 22	2022-23	2021 - 22
1.	Sales and other Income	15454.14	10810.56	15442.79	10797.19
2.	Expenditure	15255.54	10611.46	15256.47	10612.10
3.	Profit Before Tax	198.60	199.10	186.32	185.09
4.	Provision for Taxation				
	(1) Current Tax	51.07	52.47	51.07	52.47
	(2) Earlier Year Tax	(0.20)	0.19	(0.20)	0.19
	(3) Deferred Tax	(1.50)	(1.15)	(4.02)	(3.20)
5.	Profit after Tax	149.23	147.59	139.47	135.63
6.	Other Comprehensive Income	0.91	(1.75)	0.91	(1.75)
7.	Total Comprehensive Income	150.14	145.84	140.38	133.88
8.	Earning Per Equity Share:				
	(1) Basic	3.27	3.23	3.05	2.97
	(2) Diluted	3.27	3.23	3.05	2.97
9.	Equity Share Capital	456.90	456.90	456.90	456.90
10.	Other Equity	1919.58	1769.44	1770.08	1629.71

**REVIEW OF PERFORMANCE**

During the year under review, the Company generated revenue from its operations of Rs.15054.02 lacs as compared to Rs.10473.28 lacs in the previous year. It recorded Profit Before Tax of Rs. 198.60 lacs in FY 2022-23, while in FY 2021-22 it stood at Rs. 199.10 lacs. Net profit of the company is Rs. 149.23 lacs during the year under review as against Rs. 147.59 lacs in the previous year. The Shareholders' funds increased from Rs. 2226.34 lacs as on 31<sup>st</sup> March, 2022 to Rs. 2376.48 lacs as on 31<sup>st</sup> March, 2023.

**CHANGE IN NATURE OF BUSINESS, IF ANY**

There is no change in the nature of business of the Company during the year under review.

**TRANSFER OF UNCLAIMED AMOUNT TO INVESTORS EDUCATION AND PROTECTION FUND (IEPF)**

Pursuant to the provisions of Section 124, 125 and other relevant rules of the Act, the dividend declared by the Company which remain unpaid/ unclaimed for a period of seven years shall be transferred by the Company to Investor Education and Protection Fund established by the Central Government. During the year under review, the Company has not transferred any amount to Investor Education and Protection Fund.



## **ANNUAL RETURN**

Pursuant to Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company for the F.Y. 2022-23 is available on the website of the Company at [www.eesl.in](http://www.eesl.in).

## **DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013, the Board to best of their knowledge and ability hereby confirm that for the year ended 31st March, 2023:

- a) In the preparation of the annual accounts for the year ended 31st March, 2023, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2023 and of the Profit and Loss of the Company for that period;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the Annual Accounts for the period ended 31st March, 2023 on a going concern basis;
- e) 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;
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

In terms of the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, discussions on state of Company's affairs have been covered as part of the Management Discussion and Analysis (MDA) in a separate section to this Report annexed as **Section A**.

## **INDEPENDENT DIRECTORS**

The Company has received necessary declarations from the Independent Director(s) under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

The Independent Directors of the Company have undertaken requisite steps towards the inclusion of their name in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rule, 2014.

## **STATUTORY AUDITORS**

M/s O.P. BAGLA & CO LLP, Chartered Accountants (FRN: 000018N/N500091), was appointed as Statutory Auditors for a period of 5 years from the conclusion of 37th Annual General Meeting till the conclusion of 42th Annual General Meeting of the Company.





### **INTERNAL AUDITORS**

The Board appointed M/s. Anuj Kumar & Associates, Chartered Accountants (FRN No.029518N) as Internal Auditors to conduct Internal Audit of the Company for the Financial Year 2022-23. The Audit Committee of the Board provides direction and monitors the effectiveness of the Internal Audit function. The Internal Auditor reports to the Audit Committee. The Audit Committee reviews the report presented by the Internal Auditor and takes necessary actions to close the gaps identified in timely manner.

### **COST AUDITORS**

The provisions of Companies (Cost Records and Audit) Rules, 2014 are not applicable to the Company.

### **SECRETARIAL AUDITORS**

Pursuant to the provisions of the Section 204 of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s Kumar Wadhwa & Co., Practising Company Secretaries (C.P NO:7027) as Secretarial Auditors for Financial Year 2022-23. The Secretarial Audit Report for Financial Year ended on 31st March, 2023 is annexed to this report **Annexure-1**. The Report does not contain any qualification/ reservation or adverse remark.

Further, pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company is required to obtain a certificate from a Practising Company Secretary that none of the Directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of Companies by Board/Ministry of Company Affairs or any such statutory authority. The declaration in this regard has been obtained by all the Directors and accordingly the said certificate is being obtained from M/s Kumar Wadhwa & Co., Practising Company Secretaries, (C.P NO: 7027), which is annexed to this report as **Annexure- 2**.

### **SECRETARIAL STANDARDS**

The Directors have devised proper system and process of complying with the Secretarial Standards issued by Institute of Company Secretaries of India ('ICSI') and such systems were adequate and operating effectively. The Company has complied with the applicable Secretarial Standards i.e., SS -1 and SS -2, relating to 'Meetings of Board of Directors' and 'General Meetings' respectively.

### **EXPLANATIONS OR COMMENTS BY THE BOARD ON**

#### **a. Statutory Auditors Report**

There were no qualifications, reservations or adverse remarks made by the Auditors in their Report.

#### **b. Secretarial Audit Report**

There were no qualifications, reservations or adverse remarks made by the Practising Company Secretary in his Secretarial Audit Report.

### **DETAILS OF REPORT OF FRAUD BY AUDITORS**

During the year under review the Statutory Auditors and Secretarial Auditors have not reported any instances of frauds committed by the officers or employees of the Company to the Audit Committee as per Section 143(12) of the Act details of which needs to be mentioned in this report.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The Company has not made investments, provided any guarantees or security under the provisions of Section 186 of the Companies Act 2013, during the period under review. The particulars of loans covered under Section 186 of the Companies Act, 2013 have been given in the notes to accounts to the Financial Statements.



### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

All transactions with related parties during the year under review, were reviewed and approved by the Audit Committee and were at arm's length and in ordinary course of business. Prior omnibus approval was obtained from the Audit Committee for related party transactions which were repetitive in nature and in ordinary course of business. The transactions entered into pursuant to the omnibus approval were periodically placed before the Audit Committee for review. All related party transactions entered into during the year were in ordinary course of business and at an arm's length basis. The related party by virtue of the quantities it procures is in a better position to negotiate better rates/pricing from global suppliers and miners, hence the Company proposes to enter into transactions with the Related party.

The disclosure of Related Party Transactions as required in terms of Section 134(3) (h) of the Companies Act, 2013 in Form AOC-2 is annexed hereto as **Annexure-3**. Further the Company has in place, a policy on related party transactions, which is uploaded on Company's website at [https://eesl.in/pdf/policies/Policy\\_Related\\_Party.pdf](https://eesl.in/pdf/policies/Policy_Related_Party.pdf)

### **DISCLOSURES OF TRANSACTIONS OF THE COMPANY WITH ANY PERSON OR ENTITY BELONGING TO THE PROMOTER / PROMOTER GROUP:**

Transactions with persons or entities belonging to the promoter/ promoter group which hold(s) 10% or more shareholding in the Company as required under Schedule V, Part A (2A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, if any, have been disclosed in the accompanying Financial Statements.

### **RESERVES**

An amount of Rs.149.23 Lacs (Rupees One Hundred Forty-Nine Lacs Twenty Three Thousand only) available for appropriation is proposed to be retained in Profit & Loss account.

### **DIVIDEND**

The Board of Directors have decided to plough back the profits and have hence have not recommended any dividend for the year under review.

### **DIVIDEND DISTRIBUTION POLICY**

The Dividend Distribution Policy containing the requirements mentioned in Regulation 43A of the SEBI Listing Regulations can be accessed at [www.eesl.in](http://www.eesl.in) .

### **MATERIAL CHANGES AND COMMITMENTS IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATES AND THE DATE OF THE REPORT**

No material changes and commitments affecting the financial position of the Company occurred between the Financial Year to which this Financial Statements relates and the date of this report.

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

As the Company's Operations do not involve any manufacturing or processing activities the particulars as per the Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption are not reportable.

The foreign exchange earnings and outgo as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are:



### **Foreign Exchange Earnings and outgo-**

1. Foreign exchange earnings in terms of actual inflows were NIL during the Year.
2. Foreign exchange outgo in terms of actual outflows was Rs.13695.79 lacs during the Year.

### **STATEMENTS CONCERNING DEVELOPMENT AND IMPLEMENTATION OF THE RISK MANAGEMENT POLICY OF THE COMPANY**

Pursuant to Section 134 (3) (n) of the Companies Act, 2013 and other applicable provisions, the Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and of the Board of Directors of the Company. The Audit Committee regularly reviews the risk management strategy of the Company to ensure the effectiveness of risk management policies and procedures. The risk management policy of the Company is available at the website of the Company at <https://eesl.in/policies.php>.

### **FAMILIARIZATION AND TRAINING OF BOARD MEMBERS**

In terms of Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company familiarized the Independent Directors in the following areas:

- a) Nature of the Industry in which the entity operates;
- b) Business model of the entity;
- c) Role, rights and responsibilities of Independent Directors

Presentations are made to the Board/Committees of the Board on regular intervals which inter-alia cover the business strategies & reviews, operations, industry developments, management structure, quarterly and year to date financial results, budgets/business plans, review of Internal audit and risk management framework.

Further as per Regulation 46(2)(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the required details are as follows:

<b>Details of familiarization program imparted to Independent Directors</b>	<b>FY 2022-23</b>	<b>Cumulative till date</b>
Number of programmes attended by Independent Directors	4	32
Number of hours spent by Independent Directors in such programmes	4	40

### **SHARE CAPITAL**

The paid-up share capital of the Company is Rs.456.90 lacs (Rupees Four Hundred and Fifty-Six lacs and ninety thousand only) consisting of 45,69,000 equity shares of Rs.10/- each. The Company has not issued any shares during the Financial Year. Hence, there are no changes in the share capital of the Company during the Period under review.

### **CONSOLIDATED FINANCIAL STATEMENTS**

The Company has a wholly owned unlisted subsidiary Indo Education Private Limited (CIN: U74999DL2002PTC114185) the said subsidiary is a Board managed company with its Board having the rights and obligations to manage the Company in the best interest of its stakeholders.

As per provisions of Section 129 (3) of the Companies Act, 2013 and Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Consolidated Financial Statements are prepared in



accordance with the Indian Accounting Standards prescribed by ICAI. Accordingly, the Consolidated Financial Statements incorporating the accounts of Subsidiary Company along with Auditors Report thereon, forms part of this Annual Report.

### **NOMINATION AND REMUNERATION POLICY**

The Board of Directors of the Company has adopted, on recommendation of the Nomination and Remuneration Committee, a Policy for Selection and Appointment of Directors, Key Management Personnel and Senior Management Personnel and their Remuneration. The policy is also posted on the website of the Company at [https://eesl.in/pdf/policies/Policy\\_Nomination\\_and\\_Remuneration.pdf](https://eesl.in/pdf/policies/Policy_Nomination_and_Remuneration.pdf)

### **PARTICULARS OF REMUNERATION OF EMPLOYEES**

The information required pursuant to the Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- A. The Company had no employee in receipt of remuneration of more than Rs.1,02,00,000/- (Rupees One Crore Two Lac) p.a. or Rs 8,50,000/- (Rupees Eight Lac Fifty Thousand) per month in respect of whom disclosure is required to be made pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- B. Further, pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel), Amendment Rules, 2016, a statement showing the names and other particulars of the top ten employees is enclosed as **"Annexure-4"** and forms integral part of this Report
- C. The Directors of the Company have not received any remuneration during the Financial Year under Review.
- D. The Details of remuneration received by Key Managerial Personnel (KMP) for the Financial year 2022-23 is as under:

Sl. No	Name of KMP	Designation	Remuneration (Rs.in Lacs)	% increase in remuneration	% of revenue	Remarks
1	Ms. Sabina Nagpal	Company Secretary and Law Officer	16.17	1.90%	0.10%	-
2	Mr. Vikash Rawal	Chief Executive Officer	31.76	2.75%	0.20%	-
3	Mr. Nitin Kumar	Chief Financial Officer	11.97*	11.14%	0.07%	(Ceased to be CFO w.e.f. 25.02.2023)

\* Employed part of the year and includes Gratuity paid at the time of Full & Final settlement

- I. The median remuneration for the year 2022-23 is Rs. 90,001/- per month (Rupees Ninety Thousand One Only).
- II. The Percentage increase in the median remuneration of the employees in the financial year is: 235%.
- III. The total number of employees of the Company as on 31st March, 2023 is 13.
- IV. The Company affirms that the remuneration is as per the remuneration policy of the Company.



## **DIRECTORS**

The Board of Directors has an optimum combination of Independent and Non-Executive Directors. As on 31st March 2023, the Board comprised of 4 Directors. The Company is professionally managed and its Board of Directors comprises of professionally qualified Directors, who have rich experience in diversified fields.

As on March 31, 2023, the Board of the Company comprises of:

<b>S. No</b>	<b>Name</b>	<b>Designation</b>	<b>DIN</b>
1.	Mr. Tarun Somani	Chairman and Non-Executive Director	00011233
2.	Mr. Rakesh Suri	Non-Executive Independent Director	00155648
3.	Mrs. Shobha Sahni	Women Non-Executive Non-Independent Director	07478373
4.	Mr. Vikram Modi* (*Appointed w.e.f. 31.08.2022)	Non-Executive Independent Director	00876031

Mr.Tarun Somani (DIN 00011233), Director retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting.

Mr.Rakesh Chandra Khanduri (03048392), Independent Director completed his second term of 5 years on 30.9.2022 and ceased to be a director of the company from the said date.

Mr.Vikram Modi (DIN 00876031) has been appointed as a Non-Executive Independent Director w.e.f 31.08.2022.

## **NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR**

The Board of Directors of the Company met five times during the Financial Year 2022-23.

The Meetings were held on 30.05.2022, 09.08.2022, 31.08.2022, 11.11.2022 and 09.02.2023. The intervening gap between two Board Meetings was as permissible under law. The Composition of the Board of Directors and their attendance at Board Meetings and last Annual General Meeting is as under:

<b>Name of Director</b>	<b>Number of Board Meetings under tenure</b>		<b>Last attended AGM</b>
	<b>Held</b>	<b>Attended</b>	
Mr. Tarun Somani	5	5	Yes
Mr. Rakesh Chandra Khanduri*	3	3	Yes
Mr. Rakesh Suri	5	5	Yes
Mrs. Shobha Sahni	5	4	Yes
Mr.Vikram Modi	2	2	Yes

Mr.Rakesh Chandra Khanduri, Independent Director completed his second tenure on 30.09.2022 and ceased to be a Director from the said date.

The last Annual General Meeting (AGM) was held on September 30th, 2022.



## **COMMITTEES OF THE BOARD**

### **AUDIT COMMITTEE**

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013. The Audit Committee has reviewed, over sighted and confirmed the Company's financial reporting process, appointment, re-appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services, financial statements and draft audit report, including quarterly / half yearly financial information, related party transactions as per Ind AS – 24 and has reviewed the following mandatory information:

- ✓ Management discussion and analysis of financial condition and results of operations;
- ✓ Statement of significant related party transactions, submitted by management;
- ✓ Management letters / letters of internal control weaknesses issued by Statutory Auditors;
- ✓ Appointment, removal and terms of remuneration of Internal Auditor.

### **The Composition, Name of Members and Chairman**

As on 31st March, 2023, the Audit Committee had three Non-Executive Directors of whom two were Independent Directors. Mr. Rakesh Suri, an Independent Director is appointed as the Chairman of the Committee. During the Financial Year ended 31st March, 2023, 4 (Four) Audit Committee Meetings were held on 30.05.2022, 09.08.2022, 11.11.2022, 09.02.2023. The Chairman of the Audit Committee was present at the last Annual General Meeting held on 30th September, 2022.

The Composition of the Audit Committee and the attendance of each Member at these meetings are as under:

<b>Name of the Directors</b>	<b>No. of Meetings attended</b>
Mr. Rakesh Suri	4
Mr. Tarun Somani	4
Mr. Vikram Modi	2
Mr.Rakesh Chandra Khanduri*	2

\* Mr.Rakesh Chandra Khanduri, ceased to be the Chairman of the Committee since his tenure as Independent Director completed on 30.9.2022. Mr.Rakesh Suri is appointed as the Chairman of the Committee after the cessation of Mr. Rakesh Chandra Khanduri as the Chairman of the Committee.

The Chairman of the Audit Committee was present at the last Annual General Meeting held on 30th September, 2022.

The Company Secretary of the Company also acts as Compliance Officer to the Committee.

### **NOMINATION AND REMUNERATION COMMITTEE**

The composition, powers, role and terms of reference of the Nomination and Remuneration Committee are in accordance with the requirements mandated under Section 178 of the Act. Apart from the above, the Committee also carries out such functions/ responsibilities entrusted on it by the Board of Directors from time to time.

The meetings of the Nomination and Remuneration Committee were held on 30.05.2022, 31.08.2022, 11.11.2022 and 09.02.2023.



Mr.Vikram Modi has been appointed as the Chairman of the Nomination and Remuneration Committee. The Composition of the Nomination and Remuneration committee as on March 31, 2023 is as under:

<b>Name of the Directors</b>
Mr.Vikram Modi
Mr. Tarun Somani
Mr. Rakesh Suri
Mr.Rakesh Chandra Khanduri*

\* Mr.Rakesh Chandra Khanduri, ceased to be the Chairman of the Committee since his tenure as Independent Director completed on 30.9.2022. Mr.Vikram Modi is appointed as the Chairman of the Committee after the cessation of Mr.Rakesh Chandra Khanduri as the Chairman of the Committee.

#### **NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES**

No remuneration or sitting fees is being paid to the Non-Executive Directors. No stock options were granted to Non-Executive Directors or Independent Directors during the year under review.

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee has been constituted to look into the redressal of investors' grievances. The Committee as on 31st March, 2023 comprises of Mr. Rakesh Suri, Mr. Vikram Modi and Mr.Tarun Somani, Directors of the Company.

Ms.Sabina Nagpal is designated as the Compliance Officer to oversee the investors' grievances. During the period under review, the Company did not receive any investor complaint. No transfer application was pending for registration of transfer as on 31st March, 2023.

#### **MEETING OF INDEPENDENT DIRECTORS**

The Independent Directors of the Company met one (1) time during the Financial Year 2022-23. The Meeting of Independent Directors was held on 11.11.2022.

The Composition of the Independent Directors as on March 31, 2023, their attendance at the Meeting is as under:

<b>Name of Director</b>	<b>Number of Meetings</b>	
	<b>Held</b>	<b>Attended</b>
Mr. Vikram Modi	1	1
Mr. Rakesh Suri	1	1

#### **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The provisions on Corporate Social Responsibility under the Companies Act, 2013 are not applicable to the Company, since as per the financial statements of preceding financial year, the company does not fall under the criteria specified in Section-135 and accordingly Company is not required to implement the provisions of Corporate Social Responsibility Initiatives as per Companies Act, 2013.

#### **POLICY ON BOARD DIVERSITY**

Pursuant to the provisions of the Companies Act, 2013 and under SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 the Nomination and Remuneration Committee (NRC) of the Company



provides a framework for ensuring diversity of the Board members based on factors, such as gender, age, qualifications, professional experience, expertise, skills and ability to add value to the business.

### **BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT**

Pursuant to the Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the requirements relating to preparation and submission of Business Responsibility and Sustainability Report are not applicable to the Company.

### **LISTING FEES**

Your Company has paid the requisite Annual Listing fees for FY 2023-24 to BSE Limited (Scrip Code: Emergent/506180) where its securities are listed.

### **CEO/CFO Certification**

As required under Regulation 17 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Chief Executive Officer and the Chief Financial Officer of the Company have furnished necessary certificate to the Board on the Financial Statements presented annexed hereto at **Annexure-5**.

### **VIGIL MECHANISM AND WHISTLE BLOWER POLICY**

The Company has a Vigil Mechanism and Whistleblower Policy in place to enable its Directors and Employees to report genuine concerns, if any and oversees the Vigil Mechanism through the Audit Committee. The Company has also provided adequate safeguards against victimization of employees and directors who express their concerns. The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning the interests of the employees and the Company. The vigil mechanism is uploaded on website of the Company at [https://eesl.in/pdf/policies/Policy\\_whistle\\_blower.pdf](https://eesl.in/pdf/policies/Policy_whistle_blower.pdf)

### **SKILLS, EXPERTISE AND COMPETENCE OF THE BOARD**

Skills, Expertise and competence is identified by the Board in the context of the business of the Company.

The Board of Directors oversees the functioning of the management comprising of the executives at various levels of the organization and provides necessary guidance and direction towards the attainment of corporate business objectives.

The Company is mainly engaged in imports and international trading of coal, coke, iron ore, steel and ferro alloys etc. The skill sets required for such business and the industry in general and the overall experience in trading of these items, commercial knowledge relevant for such trading, knowledge of foreign trade policy, customs, regulations, international trade agreements, financial knowledge etc.

The above skill sets, expertise and competence are largely available with the Board of Directors of the Company at present.

### **BOARD EVALUATION**

In a separate meeting of Independent Directors, performance of non-Independent Directors, performance of the Board as whole and performance of the Chairman was evaluated.

Schedule IV of the Companies Act, 2013 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors excluding the Director being evaluated.

The framework of performance evaluation of the Directors captures the following points:

- a) Performance of the directors and key attributes of the Directors that justify his/her extension/continuation on the Board of the Company
- b) Participation of the Directors in the Board proceedings and their effectiveness.





- c) Fulfillment of the Independence criteria and their independence from the management as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification (s) or enactment thereof for the time being in force) in case of Independent Directors,
- d) The evaluation of its own performance by Board of Directors as a whole and of its committees and individual Directors was conducted based on the criteria and framework adopted by the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning such as composition of the Board and committees, experience and competencies, performance of specific duties and obligations, governance issues, participation and effectiveness.

#### **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company has no Joint Venture and Associate Company. However, it has one wholly owned subsidiary Company whose details are provided below:

<b>S. No.</b>	<b>NAME</b>	<b>RELATION</b>	<b>CIN</b>
1.	Indo Education Private Limited	Subsidiary	U74999DL2002PTC114185

The Subsidiary Company is exploring ways and means for finding new opportunities in the education sector. The performance and financial position of the Subsidiary forms part of the Annual Report.

#### **DEPOSITS**

In terms of the provisions of Section 73 of the Companies Act, 2013 read with Rules, the Company has no opening and closing balances and also the Company has not accepted any deposit during the Financial Year under review and as such no amount of principal and interest outstanding as on 31st March, 2023.

#### **DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR**

The Company has neither made any application nor any proceeding is pending under Insolvency and Bankruptcy Code, 2016 during the year under review.

#### **CREDIT RATING**

The Company has not availed any credit Rating facility during the year under review.

#### **THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

The Company has not availed any credit facility and the Company has not done any one time settlement with the Banks during the year under review.

#### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL**

There are no significant and material orders issued against the Company by any regulatory authority or court or tribunal affecting the going concern status and Company's operation in future.



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

The Company has established internal financial control systems which is commensurate with its size and nature of operations so as to ensure smoothness of operations and compliance with applicable legislation.

### **DISCLOSURE UNDER 'THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013'**

The Company has in place, the 'Sexual Harassment at the Workplace (Prevention and Redressal) Policy' in line with the requirements of The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act'). An Internal Complaints Committee has been set up to redress complaints on sexual harassment. The Company affirms that during the year under review, no complaints were received by the Committee under the said Act.

### **GREEN INITIATIVE**

In support of "Green Initiative" taken by the Ministry of Corporate Affairs ("MCA") by allowing service of documents by a Company to its Members through electronic mode, the Company will continue to send various communications and documents like notice calling general meetings, audited financial statements, directors' report, auditor's report etc., in electronic form, to the email address provided by the Members to the Depositories or to the Company. Your Company impresses upon its shareholders to contribute to this green initiative in full measure by registering their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participant. Members whose e-mail ID is not registered with the Company/Depositories are requested to take necessary steps for registering the same so that they can also become a part of the initiative and contribute to the Green Movement.

### **GENERAL DISCLOSURES UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

#### **Code of Conduct**

The Board of Directors has laid down Code of Conduct for all Board Members and Senior Management of the Company. The Members of the Board of Directors and Senior Management personnel have affirmed the compliance with the Code applicable to them during the year ended 31st March, 2023. The CEO certificate to this effect forms part of this report as **Annexure-6**.

#### **Compliance with Regulations**

The Company has complied fully with the requirements of the regulatory authorities on capital markets.

#### **Prohibition of Insider Trading**

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has constituted a comprehensive Code of Conduct for its Senior Management and Staff. The code lays down guidelines, which advises them on procedure to be followed and disclosures to be made while dealing with the Shares of the Company.

#### **Accounting Standards**

The Company has followed the Indian Accounting Standards (Ind-AS) as prescribed.



### **Means of Communication**

The quarterly, half yearly and yearly financial results of the Company are sent to the Stock Exchange immediately after they are approved by the Board. These are also normally published in the Financial Express (English Edition), Jansatta (Hindi Edition) newspapers and are also uploaded on the website of the Company at [www.eesl.in](http://www.eesl.in).

### **Annual General Meeting (AGM) details**

The last three Annual General Meetings were held as per details below:

Year	Date	Time	Venue
2022	September 30	10.30 A.M	Supremework Coworking space, D-57, 100 Feet Rd, Pocket D, Chattarpur hills, Chattarpur Enclave, Chattarpur, New Delhi, 110074
2021	September 30	10.30 A.M	Supremework Coworking space, D-57, 100 Feet Rd, Pocket D, Chattarpur hills, Chattarpur Enclave, Chattarpur, New Delhi, 110074
2020	September 30	10.30 A.M	Start-up Tunnel, D-57, 100 Feet Rd, Chattarpur Hills, Pocket D, Chattarpur Enclave, Chattarpur, New Delhi, 110074

All resolutions moved at the Last Annual General Meeting were passed by requisite majority of members through e-voting and through Ballot papers.

Following Special Resolutions were passed at the last three Annual General Meetings:

- a) Special Resolution at AGM 2022:
- Date of AGM- 30.09.2022
  - Voting Period – 27.09.2022 to 29.09.2022
  - Declaration of result: 1.10.2022
  - Special Resolutions passed:
    - (i) Appointment of Mr. Vikram Modi (Din 00876031) as an Independent Director.
- b) Special Resolution at AGM 2021:
- Date of AGM- 30.09.2021
  - Voting Period – 27.09.2021 to 29.09.2021
  - Declaration of result: 1.10.2021
  - Special Resolutions passed:
    - (i) Re-appointment of Mr. Rakesh Suri (Din 00155648) as an Independent Director.
    - (ii) Borrowing of monies in excess of the prescribed limit in terms of the provisions of Section 180(1) (c) of the Companies Act,2013.
    - (iii) Creation of Charge/Mortgage/hypothecation on the movable and immovable properties of the Company, both present and future, in respect of borrowings, in terms of the provisions of Section 180(1)(a) of the Companies Act, 2013.
- c) Special Resolution at AGM 2020:
- Date of AGM- 30.09.2020
  - Voting Period – 27.09.2020 to 30.09.2020
  - Declaration of result: 1.10.2021
  - Special Resolutions passed:
    - (i) For increase in limits for making investments/extending loans, giving guarantees or providing securities in connection with loans to any persons/bodies corporates

Following Special Resolutions were passed through postal ballot during Last three years:

- d) Postal Ballot 2020:



- Date of Postal Ballot Notice 24.2.2020
- Voting Period: 28.2.2020 – 30.3.2020
- Declaration of result: 31.3.2020
- Special Resolutions passed:
  - i) Special Resolution for Change in the name of the Company and consequential amendment in Memorandum and Articles of Association of the Company.

## **GENERAL SHAREHOLDERS INFORMATION**

### **i. 40<sup>th</sup> Annual General Meeting**

Day & Date : Friday, 29<sup>th</sup> September, 2023  
Time : 10:30 A.M  
Venue : Supremework Coworking space - D-57, 100 Feet Rd, Chattarpur Hills, Pocket D, Chattarpur Enclave, Chattarpur, Delhi, 110074

### **ii. Date of Books Closure**

The Company's Register of Members and Share Transfer Books will remain closed from Saturday, 23<sup>rd</sup> September, 2023 to Friday, 29<sup>th</sup> September, 2023 (both days inclusive).

### **iii. Financial Year: 1<sup>st</sup> April to 31<sup>st</sup> March**

### **iv. Stock Exchanges: Shares of the Company are listed on Bombay Stock Exchange Limited (BSE)**

### **v. Stock/Scrip Code: EMERGENT/506180**

### **vi. Registrar and Share Transfer Agents**

M/S RCMC Share Registry Private Limited,  
Registered Office:  
B-25/1, Okhla Industrial Area  
Phase-II,  
New Delhi - 110020.

### **vii. Share Transfer System**

The Share Transfer Committee meets as often as possible to approve transfers and related matters as may be required by the Registrars and share Transfer Agents. Shares lodged for transfers are normally processed within ten days from the date of lodgment, if the documents are clear in all respects.

### **viii. Dematerialization of Shares**

The shares of the Company are permitted for trading on dematerialized form only. The Company's shares are available for trading in the depository system of both NSDL and CDSL. As on 31st March, 2023, 4568950 equity shares of Rs.10/- each forming 99.99% of the share capital of the Company stands dematerialized. The ISIN with **NSDL** and **CDSL** is **INE668L01013**.

### **ix. Tentative Financial Calendar for Financial Year 2023-24**

Financial results for the first quarter ended June 30, 2023-August 2023  
Financial results for the second quarter ended September 30, 2023-November 2023  
Financial results for the third quarter ended December 31, 2023- February 2024  
Financial results for the fourth quarter ended March 31, 2024- May 2024

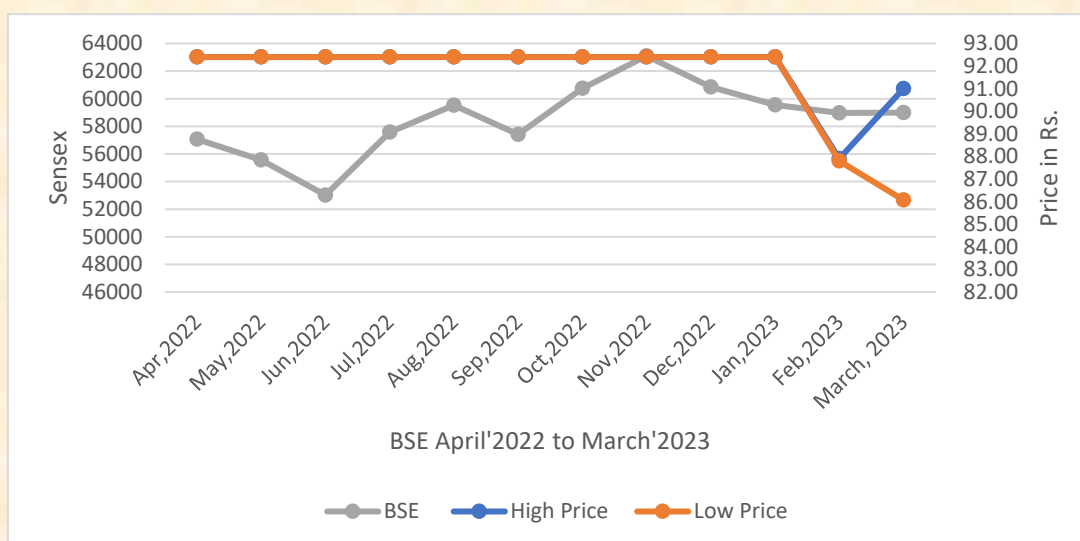


**x. Market Price Data**

Following is the month-wise high/ low price data of the shares of the Company on BSE for Financial Year 2022-23:

Month	High Price (Rs.)	Low Price (Rs.)
April, 2022	92.40	92.40
May, 2022	92.40	92.40
June, 2022	92.40	92.40
July, 2022	92.40	92.40
August, 2022	92.40	92.40
September, 2022	92.40	92.40
October, 2022	92.40	92.40
November, 2022	92.40	92.40
December, 2022	92.40	92.40
January, 2023	92.40	92.40
February, 2023	87.90	87.80
March, 2023	91.00	86.07

**xi. Share Price performance in comparison to BSE Sensex Share Price Movement**



**xii. Shareholding Pattern as on 31<sup>st</sup> March, 2023**

S. No	Category	No. of Shares	% of shareholding
1.	Promoters	3373600	73.84
2.	Financial Institutions, Banks and Mutual funds	-	-
3.	Foreign Portfolio Investors	425000	9.30
4.	Private Corporate Bodies	522601	11.44
5.	NRI/ OCBs	77598	1.70
6.	Indian Public	170201	3.72
	<b>Total</b>	<b>4569000</b>	<b>100.00</b>



**xiii. Distribution Schedule of Shareholding as on 31<sup>st</sup> March, 2023**

<b>No. of Equity Shares.</b>	<b>No. of Shareholders</b>	<b>% to Total</b>	<b>No. of Shares held</b>	<b>% to Total shareholding</b>
1 Up to 500	113	81.29	4331	0.09
501 to 1000	1	0.72	591	0.01
1001 to 2000	3	2.16	4461	0.10
2001 to 3000	5	3.60	11786	0.26
3001 to 4000	0	0.00	0	0.00
4001 to 5000	1	0.72	4050	0.09
5001 to 10000	3	2.16	25228	0.55
10001 & Above	13	9.35	4518553	98.90
<b>TOTAL</b>	<b>139</b>	<b>100.00</b>	<b>4569000</b>	<b>100.00</b>

**xiv. Address for Correspondence**

The shareholders may address their communications/ suggestions/ grievances/ queries to the Company's registered office or its Share Transfer Agent. The questions relating to share and requests for transactions such as transfer, transmission and nomination facilities, change of address, may please be taken up with the Registrar and Transfer Agent, at the address given at sub-clause vi of General Shareholders Information.

**xv. Compliance Officer**

The Board had Designated Ms. Sabina Nagpal, Company Secretary of the Company as a Compliance Officer of the Company.

**Compliance Officer**  
***Emergent Industrial Solutions Limited***

8B, Sagar 6, Tilak Marg,  
New Delhi-110001

E-mail: [cs@somanigroup.com](mailto:cs@somanigroup.com)

Phone: 011-23782022

Fax: 011-23782806

**xvi. Corporate Governance Report**

In terms of the Regulation 15(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 the compliance of provisions of Corporate Governance is **not** mandatory for the time being in respect of our Company since the paid-up equity share capital and net-worth of our Company as on 31<sup>st</sup> March, 2023 is Rs.456.90 Lacs (Rupees Four Hundred Fifty-Six Lacs and ninety thousand) and Rs.2,376.48 lacs (Rupees Two Thousand three hundred Seventy Six lacs and Forty Eight thousand) respectively.



**ACKNOWLEDGEMENTS**

The Directors are thankful to the Stakeholders, Bankers, Customers and Agents for their valuable support and assistance. The Directors wish to place on record their appreciation of the commendable work done, dedication and sincerity by all the employees of the Company at all levels during the Financial Year under review. The Company will make every effort to meet the aspirations of its shareholders and wish to sincerely thank them for their whole hearted co-operation and support at all times.

**By and on behalf of Board of Directors  
For EMERGENT INDUSTRIAL SOLUTIONS LIMITED**

**DATE: 14.08.2023**

**PLACE: New Delhi**

**Sd/  
(SHOBHA SAHNI)  
(DIRECTOR)  
DIN:07478373**

**Sd/  
TARUN SOMANI  
(DIRECTOR)  
DIN:00011233**

**Registered Office:  
8B, Sagar Apartments, 6, Tilak Marg,  
New Delhi-110 001  
Email:cs@somanigroup.com**



**Annexure- 1**

**FORM NO. MR-3  
SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2023**

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

To,  
The Members of  
**EMERGENT INDUSTRIAL SOLUTIONS LIMITED**  
(Formerly EMERGENT GLOBAL EDU AND SERVICES LIMITED)  
Regd. Off: 8B, 'Sagar' 6, Tilak Marg,  
New Delhi-110001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/S EMERGENT INDUSTRIAL SOLUTIONS LIMITED (L80902DL1983PLC209722)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31<sup>st</sup> March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

- We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/S EMERGENT INDUSTRIAL SOLUTIONS LIMITED ("The Company")** for the period ended on 31<sup>st</sup> March, 2023 according to the provisions of:
  - I. The Companies Act, 2013 (**the Act**) and the Rules made there under;
  - II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
  - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) to the extent applicable to the Company: -
    - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 and amendments from time to time; **Not Applicable as the Company has not issued any further Capital under these Regulations during the Financial Year under review.**
    - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not applicable as the Company has not issued any security (ies) under the ESOP Scheme during the Financial Year under review.**
    - e. The Securities and Exchange Board of India (issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (issue and Listing of Non-convertible Securities) Regulations, 2021: **Not applicable as the Company has not listed any Debt Securities and non-convertible securities during the Financial Year under review.**
    - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client; **Not applicable as**





**Company is not registered as Registrars to an issue and share transfer agent during the Financial Year under review.**

- g. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021. **Not Applicable as the Company was not delisted/proposed to delist its equity shares from Bombay Stock Exchange during the Financial Year under review.**
- h. Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018; **Not Applicable as the Company was not bought back/ proposed to bought back any of its securities during the Financial Year under review.**
- i. The Company has complied with the requirements under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 entered into with BSE Limited, Mumbai; and
- h. The Memorandum and Articles of Association.

➤ **Other applicable Acts**

**a) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

➤ **We have also examined compliance with the applicable clauses of the following:**

- i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board Meeting and General Meetings.
- ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 entered into by the Company with the BSE Limited, Mumbai.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 etc. mentioned above.

➤ **We further report that the Company has, in our opinion, complied with the applicable provisions of the Companies Act, 1956 and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and rules made there under along with the Memorandum and Articles of Association of the Company, with regard to:**

- a) Maintenance of various statutory registers and documents and making necessary entries therein;
- b) Closure of the Register of Members.
- c) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
- d) Service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- e) Notices of Board Meetings and Committee Meetings of Directors;
- f) The Meetings of Directors and Committees of Directors including passing of resolutions by circulation;
- g) The 39<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September 2022;
- h) Minutes of proceedings of General Meetings and of the Board and its Committee Meetings;
- i) Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
- j) Constitution of the Board of Directors/Committee(s) of Directors, appointment, retirement and reappointment of Directors;
- k) Appointment and remuneration of Auditors;
- l) Transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;
- m) Borrowings and registration, modification and satisfaction of charges wherever applicable;
- n) investment of the Company's funds including investments and loans to others;
- o) Form of Balance Sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule III to the Act;
- p) Directors' Report;
- q) Contracts, common seal, registered office and publication of name of the Company; and
- r) Generally, all other applicable provisions of the Act and the Rules made under the Act.



➤ **We further report that:**

- The Board of Directors of the Company is duly constituted with optimum combination of Non-Executive Directors and Independent Directors and Woman Director. Mr.Rakesh Chandra Khanduri (DIN 03048392), Independent Director completed his second term of 5 years on 30.9.2022 and ceased to be a director of the company from the said date. Mr.Vikram Modi (Din 00876031) was appointed as an additional Independent Director at the Board Meeting held on 31.8.2022 and was regularized at the last Annual General Meeting of the Company held on 30.9.2022.
- Adequate notice is given to all Directors to attend the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- The Company has obtained all necessary approvals under the various provisions of the Act; and
- The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

➤ **We further report that**

- There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

➤ **We further report that**

- During the audit period there was no specific event/ action has major impact on the affairs of the Company in pursuance of above referred laws, rules, regulations, guidelines, standards etc.

**FOR KUMAR WADHWA & COMPANY**  
Company Secretaries

**SD/**  
**SANJAY KUMAR**  
(Partner)

**C.P NO: 7027**

**UDIN: F009211E000802841**

**Place: New Delhi**  
**Date: 14.08.2023**



**Annexure-2**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

**(Pursuant to Regulation 34 (3) read with Schedule V, Para C, Sub-clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

To  
The Members,  
Emergent Industrial Solutions Limited  
(Formerly Emergent Global Edu and Services Limited)

We have examined the relevant registers, records, forms, returns, and disclosures of Emergent Industrial Solutions Limited (Formerly Emergent Global Edu and Services Limited) CIN L80902DL1983PLC209722 having its Registered Office at 8B, Sagar Apartments, 6, Tilak Marg, New Delhi-110 001, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulations 34 (3) read with Schedule V, Para C, Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and the explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended 31<sup>st</sup> March, 2023, have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority.

<b>Sr.No.</b>	<b>Name of Director</b>	<b>DIN</b>
1.	Mr.Tarun Somani	00011233
2.	Mr.Rakesh Suri	00155648
3.	Mrs.Shobha Sahn	07478373
4.	Mr.Vikram Modi	00876031

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

**FOR KUMAR WADHWA & COMPANY**  
Company Secretaries

Sd/

**SANJAY KUMAR**  
(Partner)

**C.P NO: 7027**

**UDIN:F009211E000802916**

**Place: New Delhi**  
**Date: 14.08.2023**



**Annexure-3**

**Form AOC-2**

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

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

Details of contracts or arrangements or transactions not at Arm's length basis: **Nil**

Details of material contracts or arrangements or transactions at Arm's length basis:

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Indo International Trading FZCO Common director
b)	Name of the Director or KMP who is related	Mr. Tarun Somani
c)	Nature of interest	Common directorship
b)	Nature of contracts/arrangements/transaction	Sale and Purchase of goods.
c)	Duration of the contracts/arrangements/transaction	Depends on contract-to-contract basis. Generally, 90 days from Bill of Lading
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Goods purchased by the Company from Related Party are at prevailing market prices for onward sale to customers in India. Payments to be made after receipt of payments from customers.
e)	Date of approval by the Board	30.05.2022
f)	Amount paid as advances, if any	Nil

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Indo Investments Private Limited Relative of Director is a director in this Company
b)	Name of the Director or KMP who is related	Mr. Tarun Somani
c)	Nature of interest	Financially or otherwise.
b)	Nature of contracts/arrangements/transaction	Lease of Property.
c)	Duration of the contracts/arrangements/transaction	11 Months
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Lease taken of property for 11 months at a monthly rent of 75,000 pm.
e)	Date of approval by the Board	30.05.2022
f)	Amount paid as advances, if any	Nil



<b>SL. No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name (s) of the related party & nature of relationship	Indo Macquarie Education Services Limited Relative of Director is a director in this Company
b)	Name of the Director or KMP who is related	Mr. Tarun Somani
c)	Nature of interest	Financially or otherwise.
b)	Nature of contracts/arrangements/transaction	Lease of Property.
c)	Duration of the contracts/arrangements/transaction	8 Months
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Lease taken of property for 8 months at a monthly rent of 1,00,000 p.m.
e)	Date of approval by the Board	30.05.2022
f)	Amount paid as advances, if any	Nil

**By and on behalf of Board of Directors  
For EMERGENT INDUSTRIAL SOLUTIONS LIMITED**

**Sd/**

**Sd/**

**DATE: 14.08.2023**  
**PLACE: New Delhi**

**(SHOBHA SAHNI)**  
**(DIRECTOR)**  
**DIN: 07478373**

**TARUN SOMANI**  
**(DIRECTOR)**  
**DIN:00011233**

**Registered Office:**  
**8B, Sagar Apartments, 6, Tilak Marg,**  
**New Delhi-110 001**  
**Email:cs@somanigroup.com**



**ANNEXURE – 4**

**Statement pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2014 forming part of the Directors' Report for the year ended March 31, 2023**

(A) The names of top 10 employees in terms of remuneration drawn, during the financial year:

S. No	Name of Employees	Designation	Qualification	Salary (P.A) (Rs.)	Nature of Employment	Experience	Date of Commencement of Employment	Age	Previous Employment	% Share held in the Company	Whether Related to any Director
1	Vikash Rawal	CEO	C.A.	31,76,456	Fulltime	25	22/08/2018	48	BLB Limited	Nil	No
2	Sabina Nagpal	Company Secretary and Law Officer	C.S., LLB	16,17,089	Fulltime	23	01/04/2010	46	Indo Powertech Ltd	Nil	No
3.	V.M Abraham	Senior Manager –	Graduate	14,87,009	Fulltime	29	01/01/2022	51	Indo German International Pvt Ltd	Nil	No
4	Alok Wadhwa	Business Analyst – IT	B.Tech, MBA	7,99,103	Fulltime	5	16/08/2022	30	Bajaj Finance Ltd.	Nil	No
5	Geetanjali Dora	Executive Assistant – CEO	BSC(H), PGDBM	6,06,008	Fulltime	15	09/09/2022	40	LGF Sysmac (India) Pvt Ltd.	Nil	No
6	Surya Prakash	Asstt. Manager – Commercial	Graduate	5,26,267	Fulltime	7	01/07/2021	32	Indo German International Pvt Ltd	Nil	No
7	Bhagaban Das	Manager – Commercial	Graduate	5,05,993	Fulltime	13	01/09/2021	39	Indo German International Pvt Ltd	Nil	No
8	Naresh Sharma	Executive	Intermediate	4,80,238	Fulltime	21	01/04/2013	43	Uni Coke Pvt Ltd	Nil	No
9	Tuhina Dutta Choudhary	Senior Executive	BBA, MBA	3,86,868	Fulltime	4	07/03/2022	28	Mediatrenz	Nil	No
10	Rohit Nikhoria	Business Analyst – IT	BE	3,50,685	Fulltime	10	12/12/2022	35	Vikran Engineering & Exim Pvt Ltd	Nil	No

(B) Personnel who are in receipt of remuneration aggregating not less than Rs. 102 lacs per annum and employed throughout the financial year: Nil



(C) Personnel who are in receipt of remuneration aggregating not less than Rs. 8.50 lacs per month and employed for part of the financial year: Nil

**By and on behalf of Board of Directors  
For EMERGENT INDUSTRIAL SOLUTIONS LIMITED**

**DATE: 14.08.2023**  
**PLACE: New Delhi**

**Sd/  
(SHOBHA SAHNI)  
(DIRECTOR)  
DIN: 07478373**

**Sd/  
TARUN SOMANI  
(DIRECTOR)  
DIN:00011233**



**Annexure-5**

**COMPLIANCE CERTIFICATE TO THE BOARD PURSUANT TO REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To,

**The Board of Directors  
Emergent Industrial Solutions Limited  
8B, Sagar Apartments, 6, Tilak Marg,  
New Delhi-110001**

We, the undersigned Vikash Rawal, Chief Executive Officer and Atul Gupta, Chief Financial Officer, of the Company do hereby certify that: -

a) We have reviewed the Ind-AS financial statements and cash flow statement for the year ended 31st March, 2023 and to the best of our knowledge and belief:

i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing Accounting Standards and applicable laws and regulations.

b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2023 are fraudulent, illegal or violative of the Company's code of conduct.

c) We accept the responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.

d) i) There has not been any significant change in internal control over financial reporting during the year under reference;

ii) The Company has adopted Ind AS from 1st April, 2017 and accordingly complied with the relevant accounting policies and disclosures as per the accounting standards.

e) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

**BY ORDER OF THE BOARD  
For EMERGENT INDUSTRIAL SOLUTIONS LIMITED**

Sd/

Sd/

**Date: 30.05.2023  
Place: New Delhi**

**(VIKASH RAWAL)  
CHIEF EXECUTIVE OFFICER**

**(ATUL GUPTA)  
CHIEF FINANCIAL OFFICER**





**Annexure- 6**

**ANNUAL CERTIFICATE UNDER REGULATION 34 (3) READ WITH PART D OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

**DECLARATION**

As required under Regulation 34 (3) read with Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, I, Vikash Rawal, Chief Executive Officer of the Company do hereby declare that all Members of the Board of Directors of the Company and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2023.

**BY ORDER OF THE BOARD**  
**For EMERGENT INDUSTRIAL SOLUTIONS LIMITED**

**Sd/**

**(VIKASH RAWAL)**  
**CHIEF EXECUTIVE OFFICER**

**Date: 14.08.2023**  
**Place: New Delhi**



## **SECTION A**

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The objective of this report is to convey the Management's perspective on the external environment and particularly to steel industry, as well as strategy, operating and financial performance, material developments in human resources and industrial relations, risks and opportunities and internal control systems and their adequacy in the Company during the FY 2022-23. This should be read in conjunction with the Company's financial statements, the schedules and notes thereto and other information included elsewhere in this Annual Report. The Company's financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') complying with the requirements of the Companies Act, 2013, as amended and regulations issued by the Securities and Exchange Board of India ('SEBI') from time to time.

### **COMPANY OVERVIEW**

The Company is primarily into international trading of Steel, Low ash Metallurgical Coke, carbon, iron-ore, Coal, Coke and Petroleum Coke products, Manganese ore, ferro alloys and other allied products etc, for supply to various steel and ferro alloys industries.

### **EXTERNAL ENVIRONMENT AND OUTLOOK**

#### **Global Economy**

Overview: The global economy was estimated to have grown at a slower 3.20% in 2022, compared to 6% in 2021 (which was on a smaller base of 2020 on account of the pandemic effect). The relatively slow global growth of 2022 was marked by the Russian invasion of Ukraine, unprecedented inflation, pandemic-induced slowdown in China, higher interest rates, global liquidity squeeze and quantitative tightening by the US Federal Reserve.

The challenges of 2022 translated into moderated spending, disrupted trade and increased energy costs. Global inflation was 8.80% in 2022, among the highest in decades. US consumer prices increased about 6.50% in 2022, the highest in four decades.

The Federal Reserve raised its benchmark interest rate to its highest in 15 years. The result is that the world ended in 2022 concerned that the following year would be slower. Gross FDI inflows – equity, reinvested earnings and other capital – declined 8.4% to \$55.3 billion in April- December. The decline was even sharper in the case of FDI inflows as equity – these fell 15% to \$36.75 billion between April and December 2022. Global trade expanded by 2.7% in 2022 (expected to slow to 1.7% in 2023).

The S&P GSCI (benchmark for commodity investments and a measure of global commodity performance) fell from a peak of 4,288 in June 2022 to 3233.4. There was a sharp decline in crude oil, natural gas, coal, lithium, lumber, cobalt, nickel and urea realisations. Brent crude oil dropped from a peak of around USD 120 per barrel in June 2022 to USD 80 per barrel at the end of the calendar year following the enhanced availability of low-cost Russian oil.

#### **Outlook**

Outlook: The global economy is projected to grow a weak 2.9% in 2023, marked by sustained Russia-Ukraine conflict and higher interest rates. Global inflation is projected to be 6.5% in 2023 (Source: IMF). On the positive side, the reopening of China's economy after the waning of the pandemic, the decline in the European energy crisis and robust US consumption outlook (despite high inflation) remain positives. Interestingly, even as the global economy is projected to grow less than 3% for five years, India and China are likely to account for half the global growth in 2023 (IMF).

(Source: PWC report, EY report, IMF data, OECD data)



## **Indian Economy**

Overview: Even as the global conflict remained geographically distant from India, ripples comprised increased oil import bills, inflation, cautious government and a sluggish equity market. India reported an estimated economic growth of 6.8% in FY 2022-23. India emerged as the second fastest-growing G20 economy in FY 2022-23. India had retained its position as the fifth-largest global economy and was seen as a principal driver of the global economy (with China).

Outlook: India is expected to grow 6.8% in FY2024, catalysed in no small measure by 35% capital expenditure growth by the government. The growth could also be driven by broad-based credit expansion, better capacity utilisation and improving trade deficits. Headline and core inflation rates could trend down. Private sector investments could revive. According to the World Bank April 2024 projections, India's GDP is projected to expand by 6.3 percent in FY24, supported by domestic demand and increased public investment. India's retail inflation rate could decline from 6.6 percent to 5.2 percent in FY24.

## **STEEL INDUSTRY**

### **Global Steel Industry**

Global steel demand was impacted by high inflation and consequent aggressive monetary policy tightening by major central banks, coupled with supply chain bottlenecks. In 2022, the developed economies experienced a significant decline in steel demand due to factors such as monetary tightening and surging energy expenditure. Following a substantial decrease of 6.2% during CY 2022, there is an anticipation of a modest rebound with a projected 1.3% increase in steel demand for CY 2023. China's steel demand contracted by 4% in 2022. In CY 2022, total crude steel production stood at 1,885 MnT, down 3.9% y-o-y, as steel producers reduced output in response to weak demand and weak margins due to falling steel prices and elevated raw material costs. The world's largest steel producer China recorded production of 1,018 MnT, a 1.6% y-o-y decline and Japan's production fell 7.4% y-o-y to 89.2 MnT. This was partly offset by a 6.0% y-o-y increase in production to 125.3 MnT in India. Source: JPC

### **Indian Steel Industry**

India is the second-largest producer of crude steel in the world, with an output of 126.2 MnT in FY 2022-23. Crude steel production rose 5.0% year-over-year while finished steel consumption rose 13.3% to 119.9 MnT. Although production and consumption increased due to robust domestic demand, margins came under pressure due to high raw material and energy costs. The imposition of export duty on steel led to the built-up of domestic inventories, as exports became unviable in the weak global price environment. Further, few low-priced shipments from Russia and duty-free steel from FTA countries made their way to domestic markets, as imports rose sharply putting more pressure on steel prices. Source: JPC

### **Industry Outlook**

Against the backdrop of soft global economic outlook, India remains a bright spot with rising demand for steel. India domestic demand grew 13.3% year on year in FY 2022-23, recording consecutive two years of double-digit growth. According to ICRA, domestic steel demand is estimated to grow at 7-8% in FY 2023-24, owing to strong demand from end-user industries such as construction, infrastructure, automobile, real estate, and consumer durables and enabling steel players to maintain high-capacity utilization levels. In addition, the benefits of easing raw material prices are expected to flow through Q2 FY 2023-24 onwards. Further, the rollback of export duty should support exports, though near-term outlook remains challenging.

### **Opportunities and threats:**

- The forecast for steel demand suggests that it will continue to grow over the next few years. By 2026, the global industry is expected to reach a production level of 2.2 billion metric tonnes. Several factors, like increasing demand for steel products in emerging markets, technologies that make steel production efficient, are driving this growth in the steel industry.
- Raw material costs account for a large proportion of the total cost of steel production. The price of raw materials can fluctuate based on supply and demand, which can significantly affect steel demand. The global steel industry uses about 2 billion metric tonnes of steel iron ore in crude steel production. So, changes in the price of iron have a significant impact on steel production. Along with the raw material



costs, factors like the type of steel being produced and the size and scale of the operations also influence the steel demand.

- The steel industry is highly global, as steel trade between countries is regular. Several factors affect the demand for steel production in different parts of the world. When trade barriers are curtailed between countries, it strengthens trade volume and typically results in lower steel prices. This development can impact the steel industry positively by increasing demand. But in the case of a hike in prices, the effect can be the opposite, leading to reduced demand for steel.
- Government regulations have a major influence on how steel is produced and traded. They can have a positive or negative impact on the steel industry, depending on the specific regulations. In some cases, the regulation is favourable, which helps promote a level playing field for domestic steel producers.

Given the above scenario, it is important on steel industry to focus on cost reduction, better management of volatile prices, quality improvement, tapping export opportunities, raw material security and to remain competitive in current market. The Company is committed to create more value for all of its stakeholders. The Company's management are taking initiatives to strengthen its profitability.

### **Financial performance**

During the year under review, the financial performance for the company was better as compared to last financial year:

	<b>(Rs. In lacs)</b>	
	<b>2022-23</b>	<b>2021-22</b>
Revenue from operations	15054.02	10473.28
Other income	400.12	337.28
EBITDA	209.70	205.74
Depreciation and amortization expenses	9.56	5.80
Interest expenses	1.54	0.84
Profit before tax	198.60	199.10
PAT	149.23	147.59
Other Comprehensive Income (net of taxes)	0.91	(1.75)
Total comprehensive income for the year	150.14	145.84

### **Review of Performance**

During the year under review, the Company generated revenue of Rs. 15054.02 lacs as compared Rs. 10473.28 lacs in FY2021-22. It recorded an EBITDA of Rs. 209.70 lacs in FY2022-23, while in FY2021-22 EBITDA stood at Rs 205.74 lacs. Whereas EBITDA margin is increased to 1.92 % in FY2022-23 from 1.90% of FY2021-22. Net Profit after Tax of the company is Rs.149.23 lacs in the year under review as against profit of Rs.147.59 lacs in the previous year. The cash flows of the Company in FY 2022-23 are Rs. 929.74 lacs as compared to negative cash flows of Rs 63.17 lacs in 2021-22. The Shareholders' funds increased from Rs. 2226.34 lacs as on 31<sup>st</sup> March, 2022 to Rs.2376.48 lacs as on 31<sup>st</sup> March, 2023.

### **Key financial ratios**

Details of significant changes (i.e., change of 25% or more compared to the immediately previous financial year) in key financial ratios, alongwith detailed explanations

<b>Particulars</b>	<b>2022-23</b>	<b>2021-22</b>	<b>Change</b>	<b>Change (%)</b>
Current Ratio - Note 1	4.44	2.39	2.05	85.82%
Inventory turnover - Note 2	25.10	10.04	15.06	149.99%
Net capital turnover – Note 3	6.89	5.14	1.75	34.12%
Net Profit Margin – Note 4	0.99	1.41	(0.42)	(29.66%)
Return on Net Worth	6.26	6.50	(0.24)	(3.65%)

#### **Notes:**

1. Current ratio improved from previous year is mainly due to better management of cash flows and timely payments of Current liabilities which results in low payables as on 31/03/2022.



2. Few contracts undertaken during the year were having longer periods than the normal period therefore the movement of Inventory were also slow.
3. During the year net working capital has been improved and Sales increased compared to previous year therefore increase in Net working capital ratio in line with both the factors.
4. Due to decrease in gross margins in the year under review, the Net Profit Margin decreased to 0.99 % in FY2023 from 1.41% in FY2022.
5. Return on Net Worth marginally lower due to lower gross margins in FY2023 as compare to FY2022.

### **Risks and concerns**

The identification and evaluation of risks play a crucial part in the sustainability of any organization. The Company adopted a robust risk management framework for identifying and evaluating risks and opportunities.

The key risks are global steel demand scenario, domestic steel demand, economic slowdown, increase in financial charges, non-availability (or undue increase in cost) materials and services, coupled with market fluctuations.

### **Mitigation of Risk /Risk Management**

The Board identifies and categorizes risks in the areas of operations, finance, marketing, regulatory compliances and corporate matters. The Company reviews the Risk Area periodically to identify potential business threats and takes suitable corrective actions. The Internal Auditor expresses his opinion on the level of risks during the audit of a particular area and reports to the Audit Committee if any corrective actions / steps are being taken as and when necessary, in a continuous manner by the company.

### **Human Resources and Industrial Relations**

Human Resources Department (“HRD”) works continuously for maintaining healthy working relationship amongst the staff members. The underlying principle is that staff at all levels are equally instrumental in attaining the Company’s goals. Training programmes are conducted to update their skills. Senior management is easily accessible for counselling and redressal of grievances. The HR department continuously strives to maintain and promote harmony and coordination among staff and members of the senior management. The total number of employees of the Company as on 31st March, 2023 is 13. The Company has maintained healthy and cordial industrial relations during the year.

### **Internal Control Systems and their adequacy**

The Company has strong internal control procedures commensurate with its size and operations. The Board of Directors, responsible for the internal control system, sets the guidelines and verifies its adequacy, effectiveness and application. The Company’s internal control system is designed to ensure management efficiency, measurability and verifiability, reliability of accounting and management information, compliance with all applicable laws and regulations and the protection of the Company’s assets. This will help identify and manage the Company’s risks (operational, compliance-related, economic and financial).

### **Cautionary Statements**

Certain statements in the Management Discussion and Analysis Report describing the Company’s objective and predictions may be “forward-looking statements” within the meaning of applicable laws and regulations. Actual results may vary significantly from the forward-looking statements contained in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, volatility in interest rates new regulations and government policies that may impact the Company’s business as well as its ability to implement the strategy.

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## **INDEPENDENT AUDITOR'S REPORT**

To the Members of  
**Emergent Industrial Solutions Ltd.**

### **Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

We have audited the accompanying Standalone financial statements of **Emergent Industrial Solutions Ltd.** ("the Company"), which comprise the balance sheet as at March 31, 2023, the statement of Profit and Loss including the statement of other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended on that date (hereinafter referred to as the "standalone financial statements"), and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements, give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

#### **Information Other than the Financial Statements and Auditor's Report Thereon**

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

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

In connection with our audit of the Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and



application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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 Standalone AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern
- Evaluate the overall presentation, structure and content of the Standalone AS financial statements, including the disclosures, and whether the Standalone AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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



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

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure I". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, according to the explanations given to us, no managerial remuneration has been paid by the Company to its directors during the year, therefore the provisions of the section are not applicable.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements. Refer Note 29(23)(d) to the financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts, which were required to be transferred during the year to the Investor Education and Protection Fund by the Company.
    - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly





lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The company has neither declared dividend nor paid any dividend during the year.

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "Annexure II" a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.

**For O P BAGLA & CO LLP**  
**CHARTERED ACCOUNTANTS**  
**FRN No. 000018N / N500091**

**PLACE : NEW DELHI**  
**DATED : May 29, 2023**

**(ATUL BAGLA)**  
**PARTNER**  
**M No. 91885**  
**UDIN: 23091885BGWJI07313**



## **ANNEXURE- I TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Emergent Industrial Solutions Ltd.** ("the Company") as of 31<sup>st</sup> March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards

and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### **Meaning of Internal Financial Controls Over Financial Reporting with reference to these financial statements**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

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

**For O P BAGLA & CO LLP**  
**CHARTERED ACCOUNTANTS**  
**FRN No. 000018N / N500091**

**PLACE : NEW DELHI**  
**DATED : May 29, 2023**

**(ATUL BAGLA)**  
**PARTNER**  
**M No. 91885**  
**UDIN: 23091885BGWJI07313**



**ANNEXURE- II TO THE INDEPENDENT AUDITOR'S REPORT**

**Annexure II referred to in paragraph 2 under the heading "Report on other legal and regulatory requirements" of our report of even date**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - a. (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) The Company does not have any intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable to the Company.
  - b. The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification program adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
  - c. The Company does not own any immovable property (including investment properties) (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
  - d. The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) during the year.
  - e. Based on audit procedures performed and the representation obtained from the management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
  - a. As explained to us physical verification has been conducted by the management at reasonable intervals. In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. We are explained that no material discrepancies have been noticed on physical verification.
  - b. According to the information and explanations given to us, at any point of time during the year, the Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets, and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. The Company, during the year, granted loans, secured or unsecured, to companies in respect of which:
  - a. The company has provided loans, during the year and details of which are given below:

A. Aggregate amount granted/provided during the year	Loans (Rs. in crores)
Others	10.00
B. Balance outstanding as at balance sheet in respect of above cases	
Subsidiary	1.35
Others	10.00



The Company has not made any investment in, provided any advances in the nature of loans, guarantee or security to any other entity during the year.

- b. The term and conditions of grant of all the above-mentioned loans, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
  - c. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts of principal amounts and interest have been regular as per stipulations.
  - d. According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
  - e. The Company has not granted any loan or advance in the nature of loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan.
  - f. According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans, investments, guarantees and security, as applicable.
- v. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- vi. The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- vii. a) As per information and explanations given to us and on the basis of our examination of records, the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other statutory dues with the appropriate authorities. As informed to us there are no outstanding statutory dues in arrears as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.
- viii. According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- ix. a. According to the information and explanations given to us, the Company does not have any loans or other borrowings from any lender. Accordingly, reporting under clause 3(ix)(a) to 3(ix)(d) of the Order is not applicable to the Company.
- b. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- x. a. The company has not raised any money by way of public offer or further public offer (including debt



- instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the order is not applicable to the company.
- b. According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the order is not applicable to the company.
- xi. a. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the management, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b. To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c. According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi company and therefore clause 3(xii) of the Order related to such companies is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- xiv. a. In our opinion and according to the information and explanations given to us, the company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.
- b. We have considered, the internal audit reports issued to the Company during the year and covering the period up to 31 March 2023 for the period under audit.
- xv. According to information and explanations given to us by the management, the company has not entered into any non-cash transactions with any of its directors or persons connected with the directors during the year. Therefore, clause 3(xv) of the Order is not applicable.
- xvi. a. In our opinion, in view of its business activities, the Company is not required to be registered under Section 45IA of Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- b. In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.



- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx. According to the information and explanations given to us, the Company does not fulfill the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**For O P BAGLA & CO LLP**  
**CHARTERED ACCOUNTANTS**  
**FRN No. 000018N / N500091**

**PLACE : NEW DELHI**  
**DATED : May 29, 2023**

**(ATUL BAGLA)**  
**PARTNER**  
**M No. 91885**  
**UDIN: 23091885BGWJI07313**



**BALANCE SHEET AS AT MARCH 31, 2023**

**AMOUNT ( RS. IN LACS)**

S.NO.	PARTICULARS	NOTE NO.	AS AT 31.03.2023	AS AT 31.03.2022
<b>I</b>	<b>ASSETS</b>			
<b>1</b>	<b>NON-CURRENT ASSETS</b>			
	(A) PROPERTY, PLANT AND EQUIPMENT	1	19.36	19.68
	(B) FINANCIAL ASSETS			
	(I) INVESTMENTS	2	69.23	69.23
	(II) LOANS	3	110.80	107.34
	(C) DEFERRED TAX ASSETS (NET)	4	5.79	4.59
			<b>205.18</b>	<b>200.84</b>
<b>2</b>	<b>CURRENT ASSETS</b>			
	(A) INVENTORIES	5	185.96	1,011.41
	(B) FINANCIAL ASSETS			
	(I) TRADE RECEIVABLE		-	-
	(II) CASH AND CASH EQUIVALENTS	6	992.80	63.06
	(III) BANK BALANCES OTHER THAN (II) ABOVE	7	208.65	522.59
	(IV) LOANS	8	1,000.00	1,500.00
	(V) OTHERS	9	31.11	30.80
	(C) INCOME TAX ASSETS (NET)	10	330.47	330.47
	(D) OTHER CURRENT ASSETS	11	69.95	44.75
			<b>2,818.94</b>	<b>3,503.08</b>
	<b>TOTAL ( 1+2+3 ) :-</b>		<b>3,024.12</b>	<b>3,703.92</b>
<b>II</b>	<b>EQUITY &amp; LIABILITIES</b>			
<b>1</b>	<b>EQUITY</b>			
	(A) EQUITY SHARE CAPITAL	12	456.90	456.90
	(B) OTHER EQUITY	13	1,919.58	1,769.44
			<b>2,376.48</b>	<b>2,226.34</b>
<b>2</b>	<b>LIABILITIES</b>			
	<b>NON-CURRENT LIABILITIES</b>			
	(A) PROVISIONS	14	13.40	12.99
			<b>13.40</b>	<b>12.99</b>
<b>3</b>	<b>CURRENT LIABILITIES</b>			
	(A) FINANCIAL LIABILITIES			
	(I) TRADE PAYABLE	15	-	-
	(a) TOTAL OUTSTANDING DUES OF MICRO AND SMALL ENTERPRISES			
	(b) TOTAL OUTSTANDING DUES OF CREDITORS OTHER THAN MICRO AND SMALL ENTERPRISES		535.32	1,030.01
	(II) OTHER FINANCIAL LIABILITIES	16	46.02	32.53
	(B) OTHER CURRENT LIABILITIES	17	51.82	379.26
	(C) PROVISIONS	18	0.36	0.31
	(D) CURRENT TAX LIABILITIES (NET)	19	0.72	22.48
			<b>634.24</b>	<b>1,464.59</b>
	<b>TOTAL ( 1+2 ) :-</b>		<b>3,024.12</b>	<b>3,703.92</b>

**SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS**

28

**AS PER OUR REPORT OF EVEN DATE ATTACHED FOR AND ON BEHALF OF THE BOARD**

**FOR O P BAGLA & CO LLP**  
**CHARTERED ACCOUNTANTS**

**FIRM REGN NO. – 000018N/N500091**

**T.K. SOMANI**  
**DIRECTOR**  
**DIN : 00011233**

**SHOBHA SAHNI**  
**DIRECTOR**  
**DIN :**  
**07478373**

**ATUL BAGLA**  
**PARTNER**  
**M.NO. 91885**

**VIKASH RAWAL**  
**CHIEF EXECUTIVE OFFICER**

**SABINA NAGPAL**  
**COMPANY SECRETARY & LAW OFFICER**

**ATUL GUPTA**  
**CHIEF FINANCIAL OFFICER**

**PLACE : NEW DELHI**  
**DATED : 29/05/2023**





**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023**

**AMOUNT ( RS. IN LACS)**

S.NO.	PARTICULARS	NOTE NO.	FOR THE YEAR ENDED 31.03.2023	FOR THE YEAR ENDED 31.03.2022
<b>I</b>	REVENUE FROM OPERATION	20	15,054.02	10,473.28
<b>II</b>	OTHER INCOME	21	400.12	337.28
<b>III</b>	<b>TOTAL REVENUE (I+ II)</b>		<b>15,454.14</b>	<b>10,810.56</b>
<b>IV</b>	EXPENSES:			
	- PURCHASE OF STOCK IN TRADE	22	14,201.04	10,354.07
	- CHANGES IN INVENTORIES OF STOCK-IN-TRADE	23	825.45	48.46
	- EMPLOYEE BENEFITS EXPENSE	24	137.43	86.03
	- FINANCE COSTS	25	1.54	0.84
	- DEPRECIATION EXPENSES	1	9.56	5.80
	- OTHER EXPENSES	26	80.52	116.26
	<b>TOTAL EXPENSES</b>		<b>15,255.54</b>	<b>10,611.46</b>
<b>V</b>	PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX (III - IV)		198.60	199.10
<b>VI</b>	EXCEPTIONAL ITEMS		-	-
<b>VII</b>	<b>PROFIT BEFORE TAX (V - VI)</b>		<b>198.60</b>	<b>199.10</b>
<b>VIII</b>	TAX EXPENSE	27		
	- CURRENT TAX		51.07	52.47
	- EARLIER YEAR TAX		(0.20)	0.19
	- DEFERRED TAX		(1.50)	(1.15)
	<b>TOTAL TAX EXPENSES</b>		<b>49.37</b>	<b>51.51</b>
<b>XI</b>	PROFIT FOR THE PERIOD FROM CONTINUING OPERATION (IX - X)		149.23	147.59
<b>XII</b>	PROFIT/(LOSS) FROM DISCONTINUING OPERATION		-	-
<b>XIII</b>	TAX EXPENSE OF DISCONTINUING OPERATIONS		-	-
<b>XIV</b>	PROFIT/(LOSS) FROM DISCONTINUING OPERATION (AFTER TAX) (XII-XIII)		-	-
<b>IX</b>	<b>PROFIT/(LOSS) FOR THE PERIOD (VII-VIII)</b>		<b>149.23</b>	<b>147.59</b>
<b>X</b>	<b>OTHER COMPREHENSIVE INCOME</b>			
	A (i) ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS		1.21	(2.34)
	(ii) INCOME TAX RELATING TO ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS		(0.30)	0.59
	B (i) ITEMS THAT WILL BE RECLASSIFIED TO PROFIT OR LOSS		-	-
	(ii) INCOME TAX RELATING TO ITEMS THAT WILL BE RECLASSIFIED TO PROFIT OR LOSS		-	-
	<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>0.91</b>	<b>(1.75)</b>
<b>XI</b>	<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (IX+X)</b>		<b>150.14</b>	<b>145.84</b>
<b>XII</b>	<b>EARNINGS PER EQUITY SHARE:</b>			
	- BASIC	28.32	3.27	3.23
	- DILUTED	28.32	3.27	3.23

**SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS**

28

**AS PER OUR REPORT OF EVEN DATE ATTACHED**

**FOR AND ON BEHALF OF THE BOARD**

**FOR O P BAGLA & CO LLP  
CHARTERED ACCOUNTANTS  
FIRM REGN NO. – 000018N/N500091**

**T.K. SOMANI  
DIRECTOR  
DIN:  
00011233**

**SHOBHA SAHNI  
DIRECTOR  
DIN: 07478373**

**ATUL BAGLA  
PARTNER  
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**VIKASH RAWAL  
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**SABINA NAGPAL  
COMPANY SECRETARY  
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**ATUL GUPTA  
CHIEF  
FINANCIAL  
OFFICER**

**PLACE: NEW DELHI  
DATED: 29/05/2023**



**STATEMENT OF CHANGE IN EQUITY AS ON MARCH 31, 2023**

**AMOUNT (RS. IN LACS)**

**A. EQUITY SHARE CAPITAL**

PARTICULARS	BALANCE AS AT 1ST APRIL 2021	CHANGES DURING THE YEAR 2021-22	BALANCE AS AT 31ST MARCH 2022	CHANGES DURING THE YEAR 2022-23	BALANCE AS AT 31ST MARCH 2023
<b>ISSUED, SUBSCRIBED AND PAID UP</b> 45,69,000 EQUITY SHARES OF RS.10/-EACH	456.90	-	456.90	-	456.90
<b>TOTAL</b>	<b>456.90</b>	<b>-</b>	<b>456.90</b>	<b>-</b>	<b>456.90</b>

**B. OTHER EQUITY**

	RESERVES & SURPLUS			OTHER COMPREHENSIVE INCOME		TOTAL
	SECURITIES PREMIUM RESERVES	RETAINED EARNING	CAPITAL RESERVES	ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF TAXES)	ITEMS THAT WILL BE RECLASSIFIED TO PROFIT OR LOSS (NET OF TAXES)	
<b>BALANCE AS OF 1ST APRIL, 2021</b>	<b>848.00</b>	<b>775.80</b>	<b>0.02</b>	<b>(0.22)</b>	<b>-</b>	<b>1,623.60</b>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL YEAR 2021-22	-	147.59	-	(1.75)	-	<b>145.84</b>
<b>BALANCE AS OF MARCH 31, 2022</b>	<b>848.00</b>	<b>923.39</b>	<b>0.02</b>	<b>(1.97)</b>	<b>-</b>	<b>1,769.44</b>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL YEAR 2022-23	-	149.23	-	0.91	-	<b>150.14</b>
<b>BALANCE AS OF MARCH 31, 2023</b>	<b>848.00</b>	<b>1,072.62</b>	<b>0.02</b>	<b>(1.06)</b>	<b>-</b>	<b>1,919.58</b>

NOTE: NONE OF THE ABOVE ITEMS WERE RESTATED IN ANY OF THE REPORTING PERIODS DUE TO PRIOR PERIOD ERRORS.

**AS PER OUR REPORT OF EVEN DATE ATTACHED**

**FOR AND ON BEHALF OF THE BOARD**

**FOR O P BAGLA & CO LLP**  
**CHARTERED ACCOUNTANTS**  
**FIRM REGN NO. - 000018N/N500091**

**T.K. SOMANI**  
**DIRECTOR**  
**DIN : 00011223**

**SHOBHA SAHNI**  
**DIRECTOR**  
**DIN : 07478373**

**ATUL BAGLA**  
**PARTNER**  
**M.NO. 91885**

**VIKASH RAWAL**  
**CHIEF**  
**EXECUTIVE**  
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**SABINA NAGPAL**  
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**ATUL GUPTA**  
**CHIEF**  
**FINANCIAL**  
**OFFICER**

**PLACE : NEW DELHI**  
**DATED : 29/05/2023**



**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023**

**AMOUNT ( RS. IN LACS)**

<b>S. NO.</b>	<b>PARTICULARS</b>	<b>FOR THE YEAR ENDED 31.03.2023</b>	<b>FOR THE YEAR ENDED 31.03.2022</b>
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	<b>NET PROFIT/LOSS BEFORE TAX &amp; EXTRA ORDINARY ITEMS</b>	<b>198.60</b>	<b>199.10</b>
	ADD:- NON CASH INTEREST EXPENSE ON AMORTISED COST	-	-
	ADD:- GRATUITY PROVISION & DEPRECIATION	11.22	7.11
	LESS: INTEREST & OTHER INCOME	(237.37)	(219.23)
	<b>OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES</b>	<b>(27.55)</b>	<b>(13.02)</b>
	<b>ADJUSTMENTS FOR</b>		
	INCREASE/DECREASE IN INVENTORIES	825.45	48.46
	INCREASE/DECREASE IN TRADE RECEIVABLES	-	5.47
	INCREASE/DECREASE IN OTHER CURRENT ASSETS	(25.20)	110.40
	INCREASE/DECREASE IN TRADE PAYABLE	(494.69)	987.93
	INCREASE/DECREASE IN OTHER FINANCIAL LIABILITIES	13.49	13.14
	INCREASE/DECREASE IN OTHER CURRENT LIABILITIES	(327.44)	(1,307.09)
	<b>CASH GENERATED /LOST FROM OPERATIONS</b>	<b>(35.94)</b>	<b>(154.71)</b>
	LESS: TAXES PAID	(72.63)	(45.02)
	<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(108.57)</b>	<b>(199.73)</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	INVESTMENT IN ICD	500.00	-
	INTEREST RECEIVED	233.61	203.07
	PURCHASE OF PROPERTY, PLANT & EQUIPMENT	(9.24)	(10.44)
	INVESTMENT IN FIXED DEPOSIT	313.94	(56.07)
	<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>1,038.31</b>	<b>136.56</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>
	<b>NET INCREASE/DECREASE IN CASH &amp; CASH EQUIVALENT</b>	<b>929.74</b>	<b>(63.17)</b>
	<b>OPENING CASH &amp; CASH EQUIVALENT</b>	<b>63.06</b>	<b>126.23</b>
	<b>CLOSING CASH &amp; CASH EQUIVALENT</b>	<b>992.80</b>	<b>63.06</b>

**AS PER OUR REPORT OF EVEN DATE ATTACHED**

**FOR AND ON BEHALF OF THE BOARD**

**FOR O P BAGLA & CO LLP**  
**CHARTERED ACCOUNTANTS**  
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**PLACE : NEW DELHI**  
**DATED : 29/05/2023**



**NOTE FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS STATEMENT**  
**NOTE NO.-1 :- PROPERTY, PLANT & EQUIPMENT**

AMOUNT ( RS. IN LACS)

<b>PARTICULARS</b>	<b>OFFICE EQUIPMENT</b>	<b>VEHICLES</b>	<b>COMPUTERS</b>	<b>FURNITURE</b>	<b>TOTAL</b>
<b>GROSS BLOCK</b>					
<b>AS AT 01.04.2021</b>	<b>7.99</b>	<b>6.98</b>	<b>2.59</b>	<b>4.21</b>	<b>21.77</b>
ADDITIONS	9.75	-	0.69	-	<b>10.44</b>
DISPOSALS	-	-	-	-	-
<b>AS AT 31.03.2022</b>	<b>17.74</b>	<b>6.98</b>	<b>3.28</b>	<b>4.21</b>	<b>32.21</b>
ADDITIONS	1.19	8.05	-	-	<b>9.24</b>
DISPOSALS	-	-	-	-	-
<b>AS AT 31.03.2023</b>	<b>18.93</b>	<b>15.03</b>	<b>3.28</b>	<b>4.21</b>	<b>41.45</b>
<b>ACCUMULATED DEPRECIATION</b>					
<b>AS AT 01.04.2021</b>	<b>2.39</b>	<b>2.76</b>	<b>1.11</b>	<b>0.46</b>	<b>6.73</b>
CHARGES FOR THE PERIOD	2.61	1.32	0.90	0.97	<b>5.80</b>
DISPOSALS	-	-	-	-	-
<b>AS AT 31.03.2022</b>	<b>5.00</b>	<b>4.08</b>	<b>2.01</b>	<b>1.43</b>	<b>12.52</b>
CHARGES FOR THE PERIOD	5.99	2.29	0.56	0.72	<b>9.56</b>
DISPOSALS	-	-	-	-	-
<b>AS AT 31.03.2023</b>	<b>10.99</b>	<b>6.37</b>	<b>2.57</b>	<b>2.15</b>	<b>22.08</b>
<b>NET CARRYING AMOUNT</b>					
<b>AS AT 31.03.2022</b>	<b>12.74</b>	<b>2.90</b>	<b>1.27</b>	<b>2.77</b>	<b>19.68</b>
<b>AS AT 31.03.2023</b>	<b>7.94</b>	<b>8.66</b>	<b>0.70</b>	<b>2.06</b>	<b>19.36</b>

Note: The company has not revalued/fair valued its property, Plant and Equipments during the current and previous year.



**NOTES FORMING PART OF THE BALANCE SHEET**

PARTICULARS	AMOUNT ( RS. IN LACS)	
	AS AT 31.03.2023	AS AT 31.03.2022
<b>NOTE NO- 2</b>		
<b>NON-CURRENT INVESTMENTS</b>		
<b>INVESTMENT CARRIED AT COST</b>		
<b>UN QUOTED - NON TRADE</b>		
<b>INVESTMENTS IN SHARES</b>		
2,75,000 (PREVIOUS YEAR 2,75,000) EQUITY SHARES OF INDO EDUCATION PRIVATE LIMITED BEING A 100% SUBSIDIARY COMPANY	33.00	33.00
<b>TOTAL UN QUOTED INVESTMENTS</b>	<b>33.00</b>	<b>33.00</b>
<b>DEEMED EQUITY INVESTMENT IN SUBSIDIARY</b>		
DEEMED INVESTMENT IN INDO EDUCATION PVT. LTD.	36.23	36.23
<b>TOTAL DEEMED INVESTMENTS AT AMORTIZED COST</b>	<b>36.23</b>	<b>36.23</b>
<b>TOTAL NON-CURRENT INVESTMENTS</b>	<b>69.23</b>	<b>69.23</b>
<b>NOTE NO- 3</b>		
<b>NON CURRENT ASSETS - LOANS (FINANCIAL ASSETS)</b>		
<b>LOANS AND ADVANCES TO RELATED PARTIES *</b>		
(UNSECURED, CONSIDERED GOOD)		
6.5% P.A. LOAN TO INDO EDUCATION PVT. LTD. (WHOLLY OWNED SUBSIDIARY COMPANY)	110.80	107.34
	<b>110.80</b>	<b>107.34</b>
*THESE FINANCIAL ASSETS ARE CARRIED AT AMORTISED COST		
<b>NOTE NO- 4</b>		
<b>DEFERRED TAX ASSETS (NET)</b>		
<b>TIMING DIFFERENC ON ACCOUNT OF</b>		
- FIXED ASSETS	2.32	1.21
- EMPLOYEE BENEFITS	3.11	2.72
- OTHERS- OCI	0.36	0.66
	<b>5.79</b>	<b>4.59</b>
<b>NOTE NO- 5</b>		
<b>INVENTORIES</b>		
(at lower of cost and net realisable value)		
TRADED GOODS	185.96	1,011.41
	<b>185.96</b>	<b>1,011.41</b>
<b>NOTE NO- 6</b>		
<b>CASH &amp; CASH EQUIVALENTS</b>		
<b>- BALANCE WITH BANK</b>		
IN CURRENT ACCOUNT	466.13	62.19
- CASH ON HAND	1.65	0.87
<b>- OTHER BANK BALANCE</b>		
IN FIXED DEPOSITS (MATURITY LESS THAN 3 MONTHS AT INCEPTION)	525.02	-
	<b>992.80</b>	<b>63.06</b>
<b>NOTE NO- 7</b>		
<b>BANK BALANCES OTHER THAN CASH &amp; CASH EQUIVALENTS</b>		
<b>- OTHER BANK BALANCES</b>		
- FIXED DEPOSITS*	208.65	522.59
* MATURITY PERIOD MORE THAN 3 MONTHS BUT LESS THAN 12 MONTHS AT INCEPTION	<b>208.65</b>	<b>522.59</b>



PARTICULARS	AS AT 31.03.2023	AS AT 31.03.2022
<b>NOTE NO- 8</b>		
<b>CURRENT LOANS</b>		
- INTER CORPORATE DEPOSITS		
- SECURED, CONSIDERED GOODS	1,000.00	1,500.00
- UNSECURED, CONSIDERED GOODS	-	-
	<b>1,000.00</b>	<b>1,500.00</b>
<b>NOTE NO- 9</b>		
<b>OTHER FINANCIAL ASSETS</b>		
- INTEREST RECEIVABLE	30.55	30.24
- SECURITY DEPOSITS	0.56	0.56
	<b>31.11</b>	<b>30.80</b>
<b>NOTE NO- 10</b>		
<b>CURRENT TAX ASSETS (NET)</b>		
- TDS & ADVANCE TAX FOR THE FY 2019-20	330.47	330.47
- CURRENT YEAR TDS & ADVANCE TAX	-	-
- LESS:- CURRENT YEAR INCOME TAX PAYABLE	-	-
	<b>330.47</b>	<b>330.47</b>
<b>NOTE NO- 11</b>		
<b>OTHER CURRENTASSETS</b>		
<b>(UNSECURED, CONSIDERED GOOD)</b>		
ADVANCES RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED		
- PREPAID EXPENSES	0.32	0.45
- DUTIES & TAXES RECEIVABLE	67.88	43.81
- OTHER ADVANCES	1.75	0.49
	-	-
	<b>69.95</b>	<b>44.75</b>

PARTICULARS	AS AT 31.03.2023	AS AT 31.03.2022
<b>NOTE NO-12</b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED:</b>		
2,00,00,000 EQUITY SHARES (PREVIOUS YEAR 2,00,00,000 EQUITY SHARES) OF Rs. 10/- EACH	<b>2,000.00</b>	<b>2,000.00</b>
<b>ISSUED, SUBSCRIBED &amp; PAID UP:</b>		
45,69,000 EQUITY SHARES (PREVIOUS YEAR 45,69,000 EQUITY SHARES) OF Rs. 10/- EACH	<b>456.90</b>	<b>456.90</b>

<b>RECONCILIATION OF THE SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE PERIOD</b>		
<b>EQUITY SHARES AT RS. 10 EACH</b>	AS AT 31.03.2023	AS AT 31.03.2022
SHARES OUTSTANDING AT THE BEGINNING OF THE YEAR	45,69,000	45,69,000
SHARES ISSUED DURING THE YEAR	-	-
SHARES OUTSTANDING AT THE END OF THE YEAR	45,69,000	45,69,000



**DETAIL OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES IN THE COMPANY**

	<b>AS AT 31.03.2023</b>	<b>AS AT 31.03.2022</b>
<b>NAME OF SHAREHOLDERS</b>	<b>No. of shares / % holding in the class</b>	<b>No. of shares / % holding in the class</b>
M/S INDO POWERTECH LIMITED	16,50,000 / 36.11 %	16,50,000 / 36.11 %
M/S UNI COKE PRIVATE LIMITED	13,05,000 / 28.56 %	13,05,000 / 28.56 %
M/S ALPS VYAPAR PRIVATE LIMITED	5,22,500 / 11.44 %	5,22,500 / 11.44 %

**SHARES HELD BY PROMOTERS OF THE COMPANY AT THE END OF THE YEAR**

<b>PROMOTOR NAME</b>	<b>NO. OF SHARE</b>	<b>% OF TOTAL SHARE</b>	<b>% CHANGE DURING THE YEAR</b>
M/S INDO POWERTECH LIMITED	16,50,000	36.11%	-
M/S UNI COKE PRIVATE LIMITED	13,05,000	28.56%	-
MR. TARUN KUMAR SOMANI	92,750	2.03%	-
MR. SAATVIK SOMANI	1,67,850	3.67%	-
MRS. SHRUTI SOMANI	1,58,000	3.46%	-

**Terms/rights attached to equity shares**

*Class of Equity Shares, Par Value, Vote per Share, dividend proposed, Distribution at the time of liquidation of co.*

The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Bonus shares, shares buyback and issue of shares for consideration other than in cash during five years immediately preceding 31 March 2023**

During the five years immediately preceding 31 March 2023 ('the period'), neither any bonus shares have been issued nor any shares have been bought back. Further, no shares have been issued for consideration other than cash.



<b>PARTICULARS</b>	<b>AS AT 31.03.2023</b>	<b>AS AT 31.03.2022</b>
<b>NOTE NO-13 OTHER EQUITY</b>		
- CAPITAL RESERVES	0.02	0.02
- SECURITIES PREMIUM RESERVE	848.00	848.00
- RETAINED EARNING	1,072.62	923.39
- OTHER COMPREHENSIVE INCOME/(LOSS)	(1.06)	(1.97)
	<b>1,919.58</b>	<b>1,769.44</b>
<b>NOTE NO- 14 NON CURRENT LIABILITIES LONG-TERM PROVISIONS PROVISION FOR EMPLOYEE BENEFITS</b>		
- PROVISION FOR GRATUITY (REFER NOTE NO - 28.25)	13.40	12.99
	<b>13.40</b>	<b>12.99</b>
<b>NOTE NO- 15 TRADE PAYABLES UNSECURED CONSIDERED GODDS TOTAL OUTSTANDING DUE TO</b>		
- MICRO, SMALL AND MEDIUM ENTERPRISES	-	-
- OTHERS	535.32	1,030.01
	<b>535.32</b>	<b>1,030.01</b>
<b>NOTE NO- 16 OTHER FINANCIAL LIABILITIES</b>		
- EMPLOYEE BENEFITS PAYABLE	27.25	24.39
- EXPENSES PAYABLE	14.16	8.14
- DUTIES & TAXES PAYABLE	4.61	-
	<b>46.02</b>	<b>32.53</b>
<b>NOTE NO- 17 OTHER CURRENT LIABILITIES</b>		
- ADVANCE FROM CUSTOMERS	14.27	377.47
- OTHER CURRENT LIABILITIES	37.55	1.79
	<b>51.82</b>	<b>379.26</b>
<b>NOTE NO- 18 CURRENT LIABILITIES: - PROVISIONS</b>		
- PROVISION FOR GRATUITY (REFER NOTE NO - 28.25)	0.36	0.31
	<b>0.36</b>	<b>0.31</b>
<b>NOTE NO- 19 CURRENT TAX LIABILITIES (NET)</b>		
- CURRENT YEAR INCOME TAX PAYABLE	51.07	52.47
- LESS: - CURRENT YEAR TDS & ADVANCE TAX	(50.35)	(29.99)
	<b>0.72</b>	<b>22.48</b>





NOTES FORMING PART OF THE PROFIT AND LOSS STATEMENT

PARTICULARS	FOR THE YEAR ENDED 31.03.2023	FOR THE YEAR ENDED 31.03.2022
<b>NOTE NO- 20 REVENUE FROM OPERATION</b>		
- TRADED GOODS	14,867.69	10,397.11
- OTHER OPERATING INCOME	186.33	76.17
	<b>15,054.02</b>	<b>10,473.28</b>
<b>NOTE NO- 21 OTHER INCOME</b>		
- INTEREST ON FIXED DEPOSIT	51.56	30.76
- INTEREST ON LOAN	182.36	183.01
- UNREALIZED INTEREST INCOME ON FINANCIAL INSTRUMENT USING EFFECTIVE INTEREST RATE METHOD	3.46	5.47
- OTHER INCOME	10.00	11.25
- DIFFERENCE IN FOREIGN EXCHANGE	152.74	106.79
	<b>400.12</b>	<b>337.28</b>
<b>NOTE NO- 22 PURCHASE OF STOCK IN TRADE</b>		
- PURCHASES OF TRADED GOODS	13,966.92	10,338.19
- DIRECT EXPENSES	234.12	15.88
	<b>14,201.04</b>	<b>10,354.07</b>
<b>NOTE NO- 23 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
<b>INVENTORIES AT THE END OF THE YEAR</b>		
TRADED GOODS (B)	185.96	1,011.41
<b>INVENTORIES AT THE BEGINNING OF THE YEAR</b>		
TRADED GOODS (A)	1,011.41	1,059.87
	<b>(A-B)</b>	<b>825.45</b>
		<b>48.46</b>
<b>NOTE NO- 24 EMPLOYEE BENEFITS EXPENSE</b>		
- SALARIES & ALLOWANCES	111.37	65.97
- OTHER BENEFITS	14.85	17.10
- STAFF WELFARE	11.21	2.96
	<b>137.43</b>	<b>86.03</b>



PARTICULARS	FOR THE YEAR ENDED 31.03.2023	FOR THE YEAR ENDED 31.03.2022
<b>NOTE NO- 25</b>		
<b>FINANCE COSTS</b>		
- BANK CHARGES	1.54	0.84
	<b>1.54</b>	<b>0.84</b>
<b>NOTE NO- 26</b>		
<b>OTHER EXPENSES</b>		
- RENT CHARGES	15.38	22.41
- TRAVELING EXPENSES	6.80	21.29
- LEGAL & PROFESSIONAL CHARGES	33.45	33.23
- FEES & SUBSCRIPTION	0.54	0.25
- FILLING FEES	0.11	0.49
- LISTING FEES	3.00	3.00
- BUSINESS PROMOTION EXPENSES	1.25	3.31
- CONVEYANCE EXPENSES	1.68	1.17
- POSTAGE & COURIER EXPENSES	0.15	0.24
- TELEPHONE & INTERNET EXPENSES	0.96	1.42
- ELECTRICITY & WATER EXPENSES	3.55	4.46
- REPAIRS & MAINTENANCE	3.61	9.95
- ADVERTISEMENT EXPENSES	0.34	0.33
- MISCELLANEOUS EXPENSES	0.10	1.16
- PRINTING & STATIONARY	1.26	1.93
- SECURITY EXPENSES	4.23	3.64
- SOFTWARE EXPENSES	1.74	0.44
- INSURANCE CHARGES	0.37	0.37
- STAFF RECRUTIEMENT CHARGES	-	0.16
- CSR EXPENDITURE	-	5.26
<b>PAYMENT TO AUDITORS</b>		
- STATUTORY AUDIT FEES	1.75	1.50
- TAX AUDIT FEES	0.25	0.25
	<b>80.52</b>	<b>116.26</b>
<b>NOTE NO- 27</b>		
<b>INCOME TAX EXPENSE</b>		
<b>(A) INCOME TAX EXPENSE RECOGNISED IN STATEMENT OF PROFIT &amp; LOSS ACCOUNT</b>		
- CURRENT TAX	51.07	52.47
- EARLIER YEAR TAX	(0.20)	0.19
- DEFERRED TAX	(1.50)	(1.15)
	<b>49.37</b>	<b>51.51</b>
<b>(B) INCOME TAX EXPENSE ON OTHER COMPREHENSIVE INCOME</b>		
REMEASUREMENT OF DEFINED BENEFIR OBLIGATIONS	(0.30)	0.59
	<b>(0.30)</b>	<b>0.59</b>



**NOTE NO. – 28**

**A. SIGNIFICANT ACCOUNTING POLICIES.**

**28.1 Company Information**

Emergent Industrial Solutions Limited (Formerly Emergent Global Edu & Services Limited) (the Company) is a domestic public limited Company with registered office situated at 8B, Sagar, 6, Tilak Marg, New Delhi -110001 and is listed on the Bombay Stock Exchange Limited (BSE). The Company is primarily engaged in the trading activities of Coal, Coke, Manganese ore & other Metal Products.

The Company has changed its name from Emergent Global Edu & Services Limited to Emergent Industrial Solutions Limited as approved by the Hon'ble Registrar of Companies, New Delhi on 17.04.2020.

**28.2 Basis for preparation of Accounts**

The Financial Statements have been prepared in accordance with IND AS and Disclosures thereon comply with requirements of IND AS, stipulations contained in Schedule- III (revised) as applicable under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, Companies (Indian Accounting Standards) Rules 2015 as amended from time to time, other pronouncement of ICAI, provisions of the Companies Act and Rules and guidelines issued by SEBI as applicable.

**28.3 Use of Estimates**

Ind AS enjoins management to make estimates and assumptions related to financial statements that affect reported amount of assets, liabilities, revenue, expenses and contingent liabilities pertaining to the year. Actual result may differ from such estimates. Any revision in accounting estimates is recognized prospectively in the period of change and material revision, including its impact on financial statements, is reported in the notes to accounts in the year of incorporation of revision.

**28.4 Recognition of Income and Expenses**

- a) The Company derives revenues primarily from sale of traded goods and related services.

Under Ind AS 115, the Company recognized revenue when (or as) a performance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer.

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue is measured based on transaction price, which is the value of the consideration received or receivable, stated net of discounts, returns and Goods & Service Taxes. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate, and provide for the discounts/right of return, using the expected value method.

- b) Revenue from services are recognized in proportion to the stage of completion of transaction at the end of reporting period, and cost incurred in the transaction including same to complete the transaction and revenue (representing economic benefit associated with the transaction) can be measured reliably.
- c) Interest income from a financial asset has been recognised using effective interest rate method.
- d) Other incomes have been recognized on accrual basis in financial statements except for cash flow information.



## 28.5 Financial instruments

### (i) Financial Assets

#### Initial Recognition and Measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

#### Subsequent Measurement

For purpose of subsequent measurement financial assets are classified in two broad categories: -

- Financial Assets at fair value
- Financial assets at amortized cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of Profit and loss, or recognized in other comprehensive income.

#### A financial asset that meets the following two conditions is measured at amortized cost.

- **Business Model Test:** The objective of the company's business model is to hold the financial Asset to collect the contractual cash flows.
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

#### A financial asset that meets the following two conditions is measured at fair value through OCI:-

- **Business Model Test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through Statement of profit and loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected irrevocable option to present value changes in OCI.

#### Investment in associates, joint venture and subsidiaries

The company has accounted for its investment in subsidiaries, associates and joint venture at cost.

#### Impairment of financial assets

The company assesses impairment based on expected credit losses (ECL) model at an amount equal to:-

- 12 months expected credit losses, or
- Lifetime expected credit losses

Depending upon whether there has been a significant increase in credit risk since initial recognition.

However, for trade receivables, the company does not track the changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.



## **(ii) Financial Liabilities**

All financial liabilities are initially recognized at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities are classified as measured at amortized cost or fair value through Statement of profit and loss (FVTPL). A financial liability is classified as FVTPL if it is classified as held for trading, or it is a derivative or is designated as such on initial recognition. Financial Liabilities at FVTPL are measured at fair value and net gain or losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss. Any gain or loss on de-recognition is also recognized in statement of profit and loss.

### **28.6 Fair Value Measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

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

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

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

The Group's Valuation Committee determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.



## **28.7 Employee Benefits**

Liabilities in respect of employee benefits to employees are provided for as follows:

### **Post Separation Employee Benefit Plan**

#### i) Defined Benefit Plan

- Gratuity Liability on the basis of actuarial valuation as per IND AS-19. Liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of each reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of defined benefit is determined by discounting the estimated future cash outflows by reference to market yield at the end of each reporting period on government bonds that have terms approximate to the terms of the related obligation. The net interest cost is Calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefits expense in the statement of profit and loss.
- Actuarial gain / loss and other components of re-measurement of net defined benefit liability (asset) are accounted for as OCI. All remaining components of costs are accounted for in statement of profit & loss.

## **28.8 Income Tax and Deferred Tax**

The liability of company on account of Income Tax is computed considering the provisions of the Income Tax Act, 1961.

Deferred tax is provided using balance sheet approach on temporary differences at the reporting date as difference between the tax base and the carrying amount of assets and liabilities. Deferred tax is recognized subject to the probability that taxable profit will be available against which the temporary differences can be reversed.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other Comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of Investments in subsidiaries and interest in joint arrangements where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.

## **28.9 Provisions, Contingent Liability and Contingent Assets**

Disputed liabilities and claims against the company including claims raised by fiscal authorities (e.g. Sales Tax, Income Tax Excise etc.) Pending in appeal / court for which no reliable estimate can be made and or involves uncertainty of the outcome of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts.

However, present obligation as a result of past event with possibility of outflow of resources, when reliable estimation can be made of the amount of obligation, is recognized in accounts in terms of discounted value, if the time value of money is material using a current pre-tax rate that reflects the risk specific to the liability.

No contingent asset is recognized but disclosed by way of notes to accounts.



### **28.10 Foreign Currency Translation**

The company's financial statements are presented in INR in Lacs, which is also the company's functional currency.

- a) Transactions in foreign currencies are recognized at rate of overseas currency ruling on the date of transactions. Gain / Loss arising on account of rise or fall in overseas currencies vis-à-vis functional currency between the date of transaction and that of payment is charged to Statement of Profit & Loss.
- b) Monetary Assets in foreign currencies are translated into functional currency at the exchange rate ruling at the Reporting Date and the resultant gain or loss, is accounted for in the Statement of Profit & Loss.
- c) Non-Monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
- d) Impact of exchange fluctuation is separately disclosed in notes to accounts.

### **28.11 Earnings per Share**

Basic Earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributed to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

### **28.12 Borrowing Cost**

Borrowing cost that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale.

Borrowing cost consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing cost are recognized as expense in the period in which they are incurred.

### **28.13 Cash and Cash Equivalents**

For the purpose of presentation in the cash flows statement, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **28.14 Property, Plant and Equipment**

#### **Cost:-**

Property, Plant & Equipment held for use in the production or supply of goods or services, or for administration purposes, are stated in the balance sheet at cost (net of duty/tax credit availed) less accumulated depreciation and accumulated impairment losses. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commence when the assets are ready for their intended use.



### **Depreciation/Amortization:**

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period with the effect of any changes in estimate accounted for on a prospective basis.

### **28.15 Intangible Assets**

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the

expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

### **28.16 Impairment**

#### **(i) Impairment of Financial Assets**

The company assesses impairment based on expected credit losses (ECL) model at an amount equal to:-

- 12 months expected credit losses, or
- Lifetime expected credit losses

Depending upon whether there has been a significant increase in credit risk since initial recognition.

However, for trade receivables, the company does not track the changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

#### **(ii) Impairment of Non-Financial Assets**

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

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

### **28.17 Current versus Non-Current Classification**

The company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

#### **An Asset is current when it is:**

- a) Expected to be realised or intended to be sold or consumed in the normal operating cycle.
- b) Held primarily for the purpose of trading.
- c) Expected to be realised within twelve months after the reporting period, or





d) Cash or Cash Equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as Non- Current

**A Liability is current when it is:**

- a) Expected to be settled in the normal operating cycle.
- b) Held primarily for the purpose of trading.
- c) Expected to be realised within twelve months after the reporting period, or
- d) There is no conditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as Non- Current.

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

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

### **28.18 Cash Flow Statement**

Cash Flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### **28.19 Inventories**

Inventories are valued at the lower of Cost and Net Realizable Value. The Cost for this purpose is determined as follows:

- Traded goods (traded): First In First Out method (FIFO).

Cost includes the necessary cost incurred in bringing inventory to its present location and condition necessary for use.

Net Realizable Value is the estimated selling price including applicable subsidy in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

### **28.20 Leases**

The Company has applied Ind AS 116 from 1 April 2019.

#### **Leases under Ind AS 116**

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### *(i) As lessee*

The Company's lease asset classes primarily consist of leases for buildings. The Company, at the inception of a contract, assesses whether the contract is a lease or not. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered on or after 1 April 2019.

The Company elected to use the following practical expedients on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.



3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The Company recognises the lease payments associated with these leases as an expense in the Statement of Profit or Loss over the lease term.

*(ii) As lessor*

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue to allocate the consideration in the contract.



**B. NOTES ON ACCOUNTS.**

**28.21** Sundry Debtors, Loans & Advances if any are subject to confirmation.

**28.22** Additional information as required under part II of the Schedule III of the Companies Act, 2013: -

**A. Foreign Currency**

Particulars	2022-23	2021-22
	(Rs. In Lacs)	(Rs. In Lacs)
<b>a. Expenses in Foreign Currency</b>		
-Travelling Expenditure	-	1.15
- Purchases	13696.45	10,097.74
<b>b. Earnings in Foreign Exchange</b>		
	-	-

**B. Details of Traded Goods – Purchases**

Name of Goods	2022-23	2021-22
	(Rs. In Lacs)	(Rs. In Lacs)
Coking Coal	-	4,252.84
Coke Breeze	-	1,005.84
Steam Coal	10,733.67	-
Manganese Ore	3,233.25	5,079.51
<b>Total</b>	<b>13,966.92</b>	<b>10,338.19</b>

**C. Details of Traded Goods- Sale**

Name of Goods	2022-23	2021-22
	(Rs. In Lacs)	(Rs. In Lacs)
Coking Coal	-	5,246.52
Coke Breeze	-	991.49
Steam Coal	10,493.25	-
Manganese Ore	4,374.44	4,066.59
Anthracite Coal	-	92.51
<b>Total</b>	<b>14,867.69</b>	<b>10397.11</b>



**28.23 Other Particulars:**

**(a) Details of Loan given during the Year / Outstanding Covered under Section 186(4) of the Companies Act, 2013:**

Name of The Company	Amount (Rs. in Lacs)		Purpose
	Carrying Amt	Fair Value	
Indo Education Pvt Ltd (Outstanding Loan Receivable as on 31.03.2023)	135.00	110.80	Business

**(b) Disclosure pursuant to regulation 34(3) of SEBI (LODR) Regulations, 2015**

Particulars	Amount (Rs. in Lacs)			
	Carrying Amt. Outstanding as at 31.03.2023	Maximum Carrying Amount Outstanding During FY 2022-23	Carrying Amt. Outstanding as at 31.03.2022	Maximum Carrying Amount Outstanding During FY 2021-22
<b>Loan Given to Subsidiary</b>				
- Indo Education Pvt. Ltd	135.00	135.00	135.00	135.00

**(c) C.I.F Value of Imports:**

Particulars	Amount (Rs. in Lacs)	
	2022-23	2021-22
Traded Goods	13696.45	10,099.42

**(d) Details of Contingent Liabilities and Commitments:**

Particulars	Amount (Rs. in Lacs)	
	2022-23	2021-22
Contingent Liabilities	Nil	Nil
Commitments	Nil	Nil

**28.24 Disclosure under Micro, small and Medium Enterprises Development (MSMED) Act, 2006:**

As per the information available with the Company and as certified by the management, there are no dues outstanding including interest as on 31st March, 2023 to Micro, Small and Medium Enterprises as defined under the Micro, small and Medium Enterprises Development (MSMED) Act, 2006.

**28.25 The disclosures as required as per the Ind AS 19 "Employee Benefits" are as given below:**

**(a) Defined benefit plan**

Each employee rendering continuous service of 5 years or more is entitled to receive gratuity amount equal to 15/26 of the monthly emoluments for every completed year of service subject to maximum of 20 Lakhs at the time of separation from the company.

In accordance with Ind AS 19, actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following's assumptions:

As of	31.03.2023	31.03.2022
Mortality Table	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate
Attrition Rate	5.00 % p.a	5.00 % p.a
Imputed Rate of Interest (D)	07.50 % p.a	07.25 % p.a
Imputed Rate of Interest (IC)	07.50 % p.a	07.25 % p.a
Salary Raise	10.00 % p.a	10.00 % p.a
Return on Plan Assets	N.A	N.A
Remaining Working Life	19.10 Years	25.80 Years



**(i) Change in Present value of Obligations**

**Amount (Rs. in Lacs)**

As of	31.03.2023	31.03.2022
<b>Present Value of obligation at the beginning of the I.V.P</b>	<b>13.30</b>	<b>9.65</b>
Interest Cost	0.96	0.70
Current Service Cost	2.90	2.39
Benefits Paid	(2.20)	(1.78)
Remeasurement (Gain) /Loss		
- Experience Adjustments	(1.21)	2.34
- D/F in P.V of Obligations	-	-
<b>Present value of obligation at the end of the I.V.P.</b>	<b>13.76</b>	<b>13.30</b>

**(ii) Change in the present value of Plan Assets (not relevant)**

**Amount (Rs. in Lacs)**

As of	31.03.2023	31.03.2022
<b>Fair Value of plant Assets As the beginning of the I. V. P.</b>	<b>-</b>	<b>-</b>
Expected Return of Plan Assets	-	-
Net Contribution	-	-
Withdrawals	-	-
Remeasurement (Gain) /Loss		
- Return on Plan Assets	-	-
<b>Fair Value of Plan Assets at the end of the I.V.P.</b>	<b>-</b>	<b>-</b>

**(iii) Net Interest Cost**

**Amount (Rs. in Lacs)**

As of	31.03.2023	31.03.2022
Interest Cost on Defined Benefits Obligations	<b>0.96</b>	<b>0.70</b>
Expected Interest Income on Plan Assets	-	-
<b>Net Interest Cost/(Income)</b>	<b>0.96</b>	<b>0.70</b>

**(iv) Remeasurement - Other Comprehensive Income (OCI)**

**Amount (Rs. in Lacs)**

As of	31.03.2023	31.03.2022
<b>Return on Plan Assets (Excluding amounts included in Net Interest Expenses)</b>	<b>-</b>	<b>-</b>
Actuarial (Gain) / Loss arising from		
- Experience Adjustment	(1.21)	2.34
- D/F in P.V of Obligations	-	-
<b>Component of Defined Benefits Costs Recognized in OCI</b>	<b>(1.21)</b>	<b>2.34</b>



(v) Expenses recognized in the Statement of Profit & Loss

Amount (Rs. in Lacs)

As of	31.03.2023	31.03.2022
Past Service Cost	-	-
Current Service Cost	2.90	2.39
Net Interest Cost/ (Income)	0.96	0.70
<b>Defined Benefit Cost Recognised in the Statement of profit &amp; Loss</b>	<b>3.86</b>	<b>3.09</b>

(vi) Amount to be recognized in the Balance Sheet

Amount (Rs. in Lacs)

As of	31.03.2023	31.03.2022
Present value of the obligations At the end of the I. V. P.	13.76	13.30
Fair value of the Plan assets At the end of the I. V. P	-	-
Funded Status	-	-
<b>Net Liability arising from Defined Benefit Obligations</b>	<b>13.76</b>	<b>13.30</b>

(vii) Components of the Net Defined Obligations

Amount (Rs. in Lacs)

As of	31.03.2023	31.03.2022
<b>Net Defined Benefit obligation at the beginning</b>	<b>13.30</b>	<b>9.65</b>
Past Service Cost	-	-
Current Service Cost	2.90	2.39
Net Interest Cost/ (Income)	0.96	0.70
Net Remeasurement	(1.21)	2.34
Net Contribution from the Employer	-	-
D/F In Benefits paid and withdrawal	(2.20)	(1.78)
<b>Net Defined Benefit Obligation at the end of the I.V.P</b>	<b>13.76</b>	<b>13.30</b>

(viii) Category wise Plan Assets

Amount (Rs. in Lacs)

As of	31.03.2023	31.03.2022
Fund at the end of IVP:	-	-



## 28.26 Related Parties Disclosure: -

In accordance with the requirements of Ind AS – 24 “Related Party Disclosures” name of the related parties, related party relationship, transactions and outstanding balances where control exists and with whom transaction have been taken place during reported periods are:

### 1. Related Parties

#### a) Ultimate Holding Company

- Northern Exim Private Limited

#### b) Subsidiary

- Indo Education Private Limited

#### c) Entities with Significant Influence

- Uni Coke Private Limited
- Indo Powertech Limited.

#### d) Other Entities

- Indo International Trading FZCO
- Indo Investment Pvt. Ltd.
- Indo Macquarie Education Services Limited

#### e) Key Management Personnel

- Mr. T. K. Somani - Director
- Mr. Rakesh Suri – Director
- Ms. Shobha Sahni – Director
- Mr. Vikram Modi – Director w.e.f 31.08.2022
- Mr. R.C. Khanduri – Director upto 30.09.2022
- Ms. Sabina Nagpal – Company Secretary
- Mr. Nitin Kumar – Chief Financial Officer upto 25.02.2023
- Mr. Vikash Rawal – Chief Executive Officer
- Mr. Atul Gupta – Chief Financial Officer w.e.f 27.04.2023

## 2. Transaction with Related Parties

### a) Nature of Transaction

**Amt. (Rs. in Lacs)**

Particulars	FY 2022-2023	FY 2021-2022
Interest Income on Loan - Indo Education Pvt Ltd	8.78	8.78
Purchases - Indo International Trading FZCO	13,695.79	10,097.49
Rent Paid - Indo Investments Pvt Ltd - Indo Macquarie Education Services Ltd	6.00 8.00	9.00 12.00
Reimbursement of Electricity Charges - Indo Investments Pvt Ltd	2.18	2.63
Remuneration, Allowances & Perquisite to Key Management Personnel - Ms. Sabina Nagpal - Mr. Nitin Kumar - Mr. Vikash Rawal	16.17 11.97* 31.76	15.87 8.60 30.92
*Employed part of the year and includes Gratuity paid at the time of Full & Final settlement.		



Particulars	As on 31.03.2023	As on 31.03.2022
<b>Outstanding Balance at the Year End:</b>		
Loan to Subsidiary - Indo Education Pvt Ltd	135.00	135.00
Interest Receivable - Indo Education Pvt Ltd	23.91	16.01
Trade Payables - Indo International Trading FZCO	515.17	1,028.66

- b)** Company made Loan in earlier years of Rs. 135 Lacs to its wholly owned subsidiary company, which is utilised for business purposes.

## 28.27 Financial risk management objectives and Policies

The Company's activities are exposed to a variety of financial risks from its operations. The key financial risks include market risk, credit risk and liquidity risk. The company's overall risk management policy seeks to minimize potential adverse effects on company's financial performance.

### (i) Market Risk:

Market risk is the risk that the fair value of future cash flow of financial instruments will fluctuate because of change in market prices. Market risk comprises mainly three types of risk: interest rate, currency risk and other price risk such as equity price risk and commodity price risk.

### (a) Foreign Currency Risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange risk through its operations in international trades. The results of the Company's operations can be affected as the rupee appreciates/depreciates against these currencies. The

Company has developed and enacted a risk management strategy to mitigate the risk of changes in exchange rates on foreign currency exposures.

### (b) Interest Rate Sensitivity:

Interest rate risk is the risk that the fair value of future cash flow of financial instruments will fluctuate because of change in market interest rates. The Company has not taken any loan from bank & financial institutions; hence there is not any interest rate risk.

### (c) Other Price Risk:

- **Equity Price Risk:**

The Company does not have any equity investment except investment in Subsidiary Company. The Subsidiary company investment to be shown at Carrying value as at the date of transition to IND AS, measured as per previous GAAP are treated as their deemed costs as at the date of transition.

- **Commodity Price Risk:**

The operating activities of the Company are mainly involves trading of commodities such as coal, coke, ores, metals etc. Almost all the purchases are covered by corresponding sale contracts thus the chances of price risk are negligible. The Company has also developed and enacted a risk management strategy regarding commodity price risk and its mitigation.

### (ii) Credit Risk:

Credit risk refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, Inter





Corporate deposit, derivative financial instruments, other balances with banks, loans and other receivables.

Credit risk arising from investment derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counter parties are banks and recognised financial institutions with high credit ratings.

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

- i. Trade receivables
- ii. Balance with banks & fixed Deposits
- iii. Financial assets measured at amortized cost (other than trade receivables)
- iv. Others

**Trade Receivables:**

Customer credit risk is managed through the company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on the security held in his account. Outstanding customer receivables are regularly monitored. At the year end, the company does not have any outstanding trade receivable.

**Balance & fixed Deposits with banks:**

Credit Risk from balances & Fixed Deposits with banks is managed by the Company's Finance Department in accordance with the company's policy. Investments of surplus funds are made only with banks as Fixed Deposits.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31.03.2022 & 31.03.2023 is the carrying amounts as summarized in Note 6 & 7.

**Other Assets:**

The Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. Subsequently, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance. Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of Profit and Loss under the head 'Finance Costs'. The balance sheet presentation for financial instruments is described below:

Financial assets measured as at amortized cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.



**(iii) Liquidity Risk:**

Liquidity risk is the risk, where the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company monitors its risk of a shortage of funds using future cash flow projections. The Company manages its liquidity needs by continuously monitoring cash flows from customers and by maintaining adequate cash & cash equivalent. The Company's objective is to maintain a balance between continuity of funding and flexibility through shareholder funds or borrowings from the holding company or sister concerns.

**28.28 Fair Valuation Techniques**

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Particulars	As at March 31, 2023 Amount (Rs. in Lacs)		As at March 31, 2022 Amount (Rs. in Lacs)	
	Carrying Amt.	Fair Value	Carrying Amt.	Fair Value
<b>Financial Assets</b>				
Investments	69.23	69.23	69.23	69.23
Loan Receivable	135.00	110.80	135.00	107.34
Trade Receivables	-	-	-	-
Cash & Cash Equivalents	992.80	992.80	63.06	63.06
Bank Balances other than Cash & Cash Equivalents	208.65	208.65	522.59	522.59
Loans	1000.00	1000.00	1500.00	1500.00
Other Financial Assets	31.11	31.11	30.80	30.80
<b>Financial Liabilities</b>				
Trade Payable	535.32	535.32	1030.01	1030.01
Other Financial Liabilities	46.02	46.02	32.53	32.53

**The following methods and assumptions were used to estimate the fair values:**

- 1) Fair value of cash and deposits, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- 2) Other non-current receivables are evaluated by the Company, based on parameters such as interest rates, individual creditworthiness of the counterparty etc. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.
- 3) Fair value of Investments in un-quoted non-current Equity Shares are based on carrying cost.

**Fair Value hierarchy**

All financial assets and liabilities for which fair value is measured in the financial statements are categorized within the fair value hierarchy, described as follows: -

**Level 1** - Quoted prices in active markets.



**Level 2** - Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.

**Level 3** - Inputs that are not based on observable market data.

The following table presents the fair value measurement hierarchy of financial assets and liabilities, which have been measured subsequent to initial recognition at fair value as at 31st March, 2023 and 31<sup>st</sup> March 2022:

**Amount (Rs. in Lacs)**

Assets / Liabilities measured at fair value (Accounted)	As at March 31, 2023		
	Level 1	Level 2	Level 3
Financial Assets	-	110.80	-

**Amount (Rs. in Lacs)**

Assets / Liabilities measured at fair value (Accounted)	As at March 31, 2022		
	Level 1	Level 2	Level 3
Financial Assets	-	107.34	-

During the year ended March 31, 2023 and March 31, 2022 there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements. There is no transaction / balance under level 3

#### **28.29 Leases: Non-cancellable Operating Leases**

The operating leases entered by the Company are cancellable on serving a notice of one to three months and accordingly, there are no non-cancellable operating leases required commitments for operating lease payments.

#### **28.30 Additional disclosure / Regulatory Information as required by Notification no. GSR 207(E) dated 24.03.2021**

##### **i. Loan or advances granted to the promoters, directors and KMPs and the related parties**

No loan or advances in the nature of loans have been granted to the promoters, directors, key managerial persons and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are:

- a) Repayable on demand, or
- b) Without specifying any terms or period of repayment.
- c)

##### **ii. Details of Benami Property held**

No such property is held by the company during the audit period. Further, No proceedings have been initiated or pending against the company for holding any benami property under benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

##### **iii. Reconciliation of quarterly statement of current assets filed with banks or financial statements**

The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets during any point of time of the year.



**iv. Willful Defaulter**

The company is not declared as a willful defaulter by any bank or financial Institution or other lender.

**v. Relationship with Struck off Companies**

There are no transaction with the companies whose name is struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March 2023 and the year ended 31 March 2022.

**vi. Registration of charges or satisfaction with Registrar of Companies**

No charges or satisfaction is pending to be registered with Registrar of Companies beyond the statutory period.

**vii. Compliance with number of layers of Companies**

No layers of companies has been established beyond the limit prescribed as per above said section / rules.

**viii. Compliance with approved Scheme(s) of Arrangements**

No scheme of arrangements has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.

**ix. Utilization of Borrowed funds and share premium:**

Particulars	Description
No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;	No such transaction has taken place during the year
No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.	No such transaction has taken place during the year

**x. Undisclosed Income**

There is no such income which has not been disclosed in the books of accounts. No such income is surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961.

**xi. Details of Crypto Currency or Virtual Currency**

Particulars	31-March-2023	31-March-2022
Profit or loss on transactions involving Crypto currency or Virtual Currency	No Such Transaction during the year	No Such Transaction during the year
Amount of currency held as at the reporting date	No Such Transaction during the year	No Such Transaction during the year



Deposits or advances from any person for the purpose of trading or investing in Crypto Currency / virtual currency	No Such Transaction during the year	No Such Transaction during the year
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**xii. Corporate Social Responsibility (CSR)**

Section 135 of The Company Act 2013 and Rules made under prescribe that every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall ensure that the company spends, in every financial year, at least two per cent. of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. During the financial year 2022-23 the company does not meet any of the three criteria mentioned above thus, no amount required to be spent by the company under CRS provisions of the act in the financial year 2022-23.

a) Gross amount required to be spent by the Company during the year

Particulars	31.03.2023 Amount (Rs. in Lacs)	31.03.2022 Amount (Rs. in Lacs)
Average net profit of the Company for last three financial years	N.A.	262.78
Gross amount required to be Spent till March, 2023 (2% of average net profits)	N.A.	5.26
Amount Spend	N.A.	5.26
Amount Unspent	N.A.	-

b) Amount spend during the year on:

S. No.	Particulars	31.03.2023 Amount (Rs. in Lacs)	31.03.2022 Amount (Rs. in Lacs)
<b>In Cash</b>			
1.	Construction / acquisition of any asset	N.A.	-
2.	On purpose other than 1 above	N.A.	5.26
<b>Yet to be Paid in Cash</b>			
1.	Construction / acquisition of any asset	N.A.	-
2.	On purpose other than 1 above	N.A.	-

c) Nature of CSR Activities: N.A. (Previous Year -Assistance to Ramakrishna Mission Sevashrama (Charitable Hospital), Mathura, Uttar Pradesh)

d) Details of related party transactions: NA

e) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately: NA

**xiii.** Trade Receivable Ageing Schedule is not applicable as no amount receivable from customers for the year ended 31.03.23 and 31.03.2022.



**xiv. Trade Payable Ageing Schedule**  
**As at March 31, 2023**

Particulars	Outstanding for following periods from due date of payment#			
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
MSME	-	-	-	-
Others	535.32	-	-	-
Disputed dues- MSME	-	-	-	-
Disputed dues- Others	-	-	-	-
<b>Total</b>	<b>535.32</b>	-	-	-

**As at March 31, 2022**

Particulars	Outstanding for following periods from due date of payment#			
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
MSME	-	-	-	-
Others	1,030.01	-	-	-
Disputed dues- MSME	-	-	-	-
Disputed dues- Others	-	-	-	-
<b>Total</b>	<b>1,030.01</b>	-	-	-

# where due date is not available date, date of transaction has been considered.

Note: There are no unbilled payables, hence the same is not disclosed in the ageing schedule.

**xv. Utilization of Borrowed Funds**

The Company does not have any loans or other borrowings from banks, financial institutions or any other lenders.



**xvi. Financial Ratios**

<b>Ratios</b>	<b>Numerator</b>	<b>Denominator</b>	<b>FY 2022-23</b>	<b>FY 2021-22</b>	<b>Variance in %age</b>	<b>Remarks</b>
Current Ratio (in times)	Current Assets	Current Liabilities	4.44	2.39	85.82%	Decline in Current Liabilities resulting in increase in Current Ratio in current year
Debt Equity Ratio (in times)	Total Debt	Shareholder's Equity	N.A.	N.A.	-	
Debt service coverage ratio (in times)	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest# & Lease Payments + Principal Repayments	N.A.	N.A.	-	
Return on Net Worth (in %age)	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	6.28	6.63	(5.28%)	
Inventory Turnover (in times)	Cost of goods sold	Average Inventory	25.10	10.04	149.99%	Increase in purchases resulting in higher Inventory Turnover Ratio
Debtors Turnover (in times)	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	NA	NA	-	
Trade payables turnover (in times)	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	18.14	19.32	(6.06%)	
Net capital turnover (in times)	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	6.89	5.14	34.12%	Increase in revenue resulting in higher net capital turnover ratio
Net Profit Margin (in %age)	Net Profit	Net sales = Total sales - sales return	0.99	1.41	(29.66%)	Decrease in Gross Profit Margin resulting in decrease in net profit ratio
Return on capital employed (in %age)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	8.36	8.94	(6.56%)	
Return on Investment	Return on Investment	Investment Value	NA	NA	-	



**28.31 Segment Information: Disclosures as required by Indian Standards (Ind AS – 108)**

**Operating Segments**

• **Information regarding Primary Segment Reporting as per IND AS – 108**

The Company is engaged in single segment business of mainly trading of Coal, Coke, Manganese ore & other Metal Products which according to the management is considered as the only business segment.

Accordingly, no separate segmental information has been provided herein.

• **Geographical Segments**

The Company operates in India and therefore caters to the needs of the domestic market, therefore, there is only one geographical segment and hence, geographical segment information is not required to be disclosed.

**28.32 Earnings per share**

<b>Particulars</b>	<b>2022-23</b>	<b>2021-22</b>
Profit After Taxation (Rs. in Lacs)	<b>149.23</b>	<b>147.59</b>
Number of Equity shares as on 31 <sup>st</sup> March (Nos)	45,69,000	45,69,000
Weighted average number of Share (Nos)	45,69,000	45,69,000
Nominal Values of Shares Outstanding (Rs.)	<b>10</b>	<b>10</b>
Basic & Diluted Earnings per Share (Amount in Rs.)	<b>3.27</b>	<b>3.23</b>

**28.33** The Standalone Financial Statements are presented in lacs. Those items which are required to be disclosed and which were not presented in the Standalone Financial Statement due to rounding off to the nearest ` in lacs if any are separately disclosed along with line items.

**28.34.** Previous year figures have been re-grouped and recast wherever necessary to make them comparable with those of the current year.

**28.35** Notes 1 to 28 form an integral part of the Balance Sheet and Statement of Profit & Loss of the Company.

**AS PER REPORT OF EVEN DATE**

**FOR & ON BEHALF OF THE BOARD**

**FOR O P BAGLA & CO LLP**  
**CHARTERED ACCOUNTANTS**  
**FIRM REGN NO. – 000018N/N500091**

**ATUL BAGLA**  
**PARTNER**  
**M.NO. 91885**

**T.K. SOMANI**  
**DIRECTOR**  
**DIN : 0011233**

**SHOBHA SAHNI**  
**DIRECTOR**  
**DIN : 07478373**

**VIKASH RAWAL**  
**CHIEF EXECUTIVE**  
**OFFICER**

**SABINA NAGPAL**  
**COMPANY SECRETARY**  
**& LAW OFFICER**

**ATUL GUPTA**  
**CHIEF FINANCIAL**  
**OFFICER**

**PLACE: NEW DELHI**  
**DATED : 29/05/2023**





## **INDEPENDENT AUDITOR'S REPORT**

To the Members of  
**Emergent Industrial Solutions Limited**

### **Report on the Audit of the Consolidated Financial Statements**

#### **Opinion**

We have audited the accompanying consolidated financial statements of **Emergent Industrial Solutions Limited** (hereinafter referred to as the 'Holding Company') and its subsidiary company (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, the consolidated statement of Profit and Loss including the statement of other Comprehensive Income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditor on separate financial statements of the subsidiary referred to in the Other Matters section below the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under Section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

#### **Information other than the Financial Statements and Auditor's Report thereon**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiary company, audited by the other auditor, to the extent it relates to this entity and, in doing so, place reliance on the work of the other auditor and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary company, is traced from their financial statements audited by another auditor.

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



## **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are responsible for overseeing the Group's financial reporting process of the Group.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the group 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

#### **Other Matters**

We did not audit the financial statements of one subsidiary included in the Group, namely Indo Education Private Limited, whose financial statements reflect total assets of Rs. 55.62 lacs as at 31st March 2023, total revenue of Rs. 0.89 lacs, total net loss after tax of Rs. 9.76 lacs and net cash inflow of Rs. 5.00 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose reports have been furnished to us by the management, and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary company, is based solely on the report of other auditor.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor and the financial statements.

#### **Report on Other Legal and Regulatory Requirements**

1. In terms of clause (xxi) of para 3 of The Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms Section 143(11) of the Act, we report that no qualifications or adverse remarks have been made in the CARO report of subsidiary company whose financials have been consolidated in these financial statements.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on the separate financial statements of the subsidiary company referred to in the Other Matters section above we report, to the extent applicable that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforementioned consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.



- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Consolidated Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditor of its subsidiary company incorporated in India, none of the directors of the Group are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure I" which is based on the auditors' reports of the Holding Company and its subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the subsidiary company.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, according to the explanations given to us, no managerial remuneration has been paid by the Holding Company to its directors during the year, therefore the provisions of the section are not applicable.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the group. Refer Note 26.25(b) to the consolidated financial statements.
  - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts, which were required to be transferred during the year to the Investor Education and Protection Fund by the group.
  - iv. (a) The respective Managements of the Holding Company and its subsidiary company which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditor of such subsidiary, that, to the best of their knowledge and belief, other than as disclosed in notes to accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any such subsidiary company to or in any other person or entity, including foreign entity ('Intermediaries') with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
  
(b) The respective Managements of the Holding Company and its subsidiary which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditor of such subsidiary, that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiary from any person or entity, including foreign entity ('Funding Parties') with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary shall, whether directly or indirectly lend or invest in other persons or entities



identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditor of the subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our attention or other auditor's notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e) as provided under (a) and (b) above, contain any material misstatement.

v. The group has neither declared dividend nor paid any dividend during the year.

**For O P BAGLA & CO LLP**  
**CHARTERED ACCOUNTANTS**  
**FRN No. 000018N / N500091**

**PLACE : NEW DELHI**  
**DATED : May 29, 2023**

**(ATUL BAGLA)**  
**PARTNER**  
**M No. 91885**  
**UDIN: 23091885BGWJIP3887**



## **ANNEXURE- I TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of **Emergent Industrial Solutions Limited** ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'), as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, which are companies incorporated in India, as at that date.

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

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

#### **Auditors' Responsibility**

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditor of the subsidiary company, which are companies incorporated in India, in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company, its subsidiary, which are companies incorporated in India.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and



- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Holding Company and its subsidiary company, which is a company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to a subsidiary company which is a company incorporated in India, is based solely on the corresponding report of the auditor of such company incorporated in India.

Our opinion is not modified in respect of the above matters.

**For O P BAGLA & CO LLP**  
**CHARTERED ACCOUNTANTS**  
**FRN No. 000018N / N500091**

**PLACE : NEW DELHI**  
**DATED : May 29, 2023**

**(ATUL BAGLA)**  
**PARTNER**  
**M No. 91885**  
**UDIN: 23091885BGWJIP3887**



**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023**

**AMOUNT ( RS. IN LACS)**

S.NO.	PARTICULARS	NOTE NO.	AS AT 31.03.2023	AS AT 31.03.2022
<b>I</b>	<b>ASSETS</b>			
<b>1</b>	<b>NON-CURRENT ASSETS</b>			
	(A) PROPERTY, PLANT AND EQUIPMENT	1	20.20	20.77
	(B) INTANGIBLE ASSETS UNDER DEVELOPMENT		-	-
	(C) DEFERRED TAX ASSETS (NET)	2	35.34	31.62
			<b>55.54</b>	<b>52.39</b>
<b>2</b>	<b>CURRENT ASSETS</b>			
	(A) INVENTORIES	3	185.96	1,011.41
	(B) FINANCIAL ASSETS			
	(I) TRADE RECEIVABLE		-	-
	(II) CASH AND CASH EQUIVALENTS	4	1,001.49	76.75
	(III) BANK BALANCES OTHER THAN (II) ABOVE	5	218.21	527.70
	(IV) LOANS	6	1,000.00	1,500.00
	(V) OTHERS	7	7.77	15.32
	(C) CURRENT TAX ASSETS (NET)	8	330.55	330.55
	(D) OTHER CURRENT ASSETS	9	76.28	51.07
			<b>2,820.26</b>	<b>3,512.81</b>
	<b>TOTAL ( 1+2+3 ) :-</b>		<b>2,875.80</b>	<b>3,565.20</b>
<b>II</b>	<b>EQUITY &amp; LIABILITIES</b>			
<b>1</b>	<b>EQUITY</b>			
	(A) EQUITY SHARE CAPITAL	10	456.90	456.90
	(B) OTHER EQUITY	11	1,770.08	1,629.71
			<b>2,226.98</b>	<b>2,086.61</b>
<b>2</b>	<b>LIABILITIES</b>			
	<b>NON-CURRENT LIABILITIES</b>			
	(A) PROVISIONS	12	13.40	12.99
			<b>13.40</b>	<b>12.99</b>
<b>3</b>	<b>CURRENT LIABILITIES</b>			
	(A) FINANCIAL LIABILITIES			
	(I) TRADE PAYABLE	13	535.32	1,030.01
	(II) OTHER FINANCIAL LIABILITIES	14	46.02	32.67
	(B) OTHER CURRENT LIABILITIES	15	53.00	380.13
	(C) PROVISIONS	16	0.36	0.31
	(D) CURRENT TAX LIABILITIES (NET)	17	0.72	22.48
			<b>635.42</b>	<b>1,465.60</b>
	<b>TOTAL ( 1+2 ) :-</b>		<b>2,875.80</b>	<b>3,565.20</b>

**SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS**

26

**AS PER OUR REPORT OF EVEN DATE ATTACHED FOR AND ON BEHALF OF THE BOARD**

**FOR O P BAGLA & CO LLP**  
**CHARTERED ACCOUNTANTS**  
**FIRM REGN NO. – 000018N/N500091**

**T.K. SOMANI**  
**DIRECTOR**  
**DIN : 00011233**

**SHOBHA SAHNI**  
**DIRECTOR**  
**DIN : 07478373**

**ATUL BAGLA**  
**PARTNER**  
**M.NO. 91885**

**VIKASH RAWAL**  
**CHIEF EXECUTIVE**  
**OFFICER**

**SABINA NAGPAL**  
**COMPANY SECRETARY**  
**& LAW OFFICER**

**ATUL GUPTA**  
**CHIEF FINANCIAL**  
**OFFICER**

**PLACE : NEW DELHI**  
**DATED : 29/05/2023**





**CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2023**

AMOUNT ( RS. IN LACS)				
S.NO.	PARTICULARS	NOTE NO.	FOR THE YEAR ENDED 31.03.2023	FOR THE YEAR ENDED 31.03.2022
<b>I</b>	REVENUE FROM OPERATION	18	15,054.02	10,473.28
<b>II</b>	OTHER INCOME	19	388.77	323.91
<b>III</b>	<b>TOTAL REVENUE ( I+ II )</b>		<b>15,442.79</b>	<b>10,797.19</b>
<b>IV</b>	<b>EXPENSES:</b>			
	PURCHASE OF STOCK IN TRADE	20	14,201.04	10,354.07
	CHANGES IN INVENTORIES OF STOCK-IN-TRADE	21	825.45	48.46
	EMPLOYEE BENEFITS EXPENSE	22	137.43	86.03
	FINANCE COSTS	23	1.54	0.84
	DEPRECIATION EXPENSES	1	9.81	6.13
	OTHER EXPENSES	24	81.20	116.57
	<b>TOTAL EXPENSES</b>		<b>15,256.47</b>	<b>10,612.10</b>
<b>V</b>	PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX ( III - IV )		186.32	185.09
<b>VI</b>	EXCEPTIONAL ITEMS		-	-
<b>VII</b>	<b>PROFIT BEFORE TAX ( V - VI )</b>		<b>186.32</b>	<b>185.09</b>
<b>VIII</b>	<b>TAX EXPENSE</b>	25		
	- CURRENT TAX		51.07	52.47
	- EARLIER YEAR TAX		(0.20)	0.19
	- DEFERRED TAX		(4.02)	(3.20)
	<b>TOTAL TAX EXPENSES</b>		<b>46.85</b>	<b>49.46</b>
<b>XI</b>	PROFIT FOR THE PERIOD FROM CONTINUING OPERATION ( IX - X )		139.47	135.63
<b>XII</b>	PROFIT/(LOSS) FROM DISCONTINUING OPERATION		-	-
<b>XIII</b>	TAX EXPENSE OF DISCONTINUING OPERATIONS		-	-
<b>XIV</b>	PROFIT/(LOSS) FROM DISCONTINUING OPERATION(AFTER TAX) (XII-XIII)		-	-
<b>IX</b>	<b>PROFIT/(LOSS) FOR THE PERIOD (VII-VIII)</b>		<b>139.47</b>	<b>135.63</b>
<b>X</b>	<b>OTHER COMPREHENSIVE INCOME</b>			
	A (i) ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS		1.21	(2.34)
	(ii) INCOME TAX RELATING TO ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS	25	(0.30)	0.59
	B (i) ITEMS THAT WILL BE RECLASSIFIED TO PROFIT OR LOSS		-	-
	(ii) INCOME TAX RELATING TO ITEMS THAT WILL BE RECLASSIFIED TO PROFIT OR LOSS		-	-
	<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>0.91</b>	<b>(1.75)</b>
<b>XI</b>	<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (IX+X)</b>		<b>140.38</b>	<b>133.88</b>
<b>XII</b>	EARNINGS PER EQUITY SHARE:			
	- BASIC	26.32	3.05	2.97
	- DILUTED	26.32	3.05	2.97

**SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS**

26

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

FOR O P BAGLA & CO LLP  
CHARTERED ACCOUNTANTS  
FIRM REGN NO. – 000018N/N500091

T.K. SOMANI  
DIRECTOR  
DIN : 00011233

SHOBHA SAHNI  
DIRECTOR  
DIN : 07478373

ATUL BAGLA  
PARTNER  
M.NO. 91885

VIKASH RAWAL  
CHIEF EXECUTIVE  
OFFICER

SABINA NAGPAL  
COMPANY SECRETARY  
& LAW OFFICER

ATUL GUPTA  
CHIEF FINANCIAL  
OFFICER

PLACE : NEW DELHI  
DATED : 29/05/2023



**CONSOLIDATED STATEMENT OF CHANGE IN EQUITY AS ON MARCH 31, 2023**

**AMOUNT ( RS. IN LACS)**

**A. EQUITY SHARE CAPITAL**

PARTICULARS	BALANCE AS AT 1ST APRIL 2021	CHANGES DURING THE YEAR 2021-22	BALANCE AS AT MARCH 31 2022	CHANGES DURING THE YEAR 2022-23	BALANCE AS AT MARCH 31 2023
<b>ISSUED, SUBSCRIBED AND PAID UP</b> 45,69,000 EQUITY SHARES OF RS.10/-EACH	456.90	-	456.90	-	456.90
<b>TOTAL</b>	<b>456.90</b>	<b>-</b>	<b>456.90</b>	<b>-</b>	<b>456.90</b>

**B. OTHER EQUITY**

PARTICULARS	RESERVES & SURPLUS				OTHER COMPREHENSIVE INCOME		TOTAL OTHER EQUITY
	SECURITIES PREMIUM RESERVES	RETAINED EARNING	CAPITAL RESERVES	CAPITAL RESERVES ON CONSOLIDATION	ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS (NET OF TAXES)	ITEMS THAT WILL BE RECLASSIFIED TO PROFIT OR LOSS (NET OF TAXES)	
<b>BALANCE AS OF APRIL 1, 2020</b>	<b>848.00</b>	<b>221.04</b>	<b>0.02</b>	<b>8.98</b>	<b>(2.80)</b>	<b>-</b>	<b>1,075.24</b>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR 2020-21	-	417.99	-	-	2.59	-	<b>420.58</b>
<b>BALANCE AS OF MARCH 31, 2021</b>	<b>848.00</b>	<b>639.03</b>	<b>0.02</b>	<b>8.98</b>	<b>(0.21)</b>	<b>-</b>	<b>1,495.82</b>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR 2021-22	-	135.63	-	-	(1.75)	-	<b>133.89</b>
<b>BALANCE AS OF MARCH 31, 2022</b>	<b>848.00</b>	<b>774.66</b>	<b>0.02</b>	<b>8.98</b>	<b>(1.96)</b>	<b>-</b>	<b>1,629.71</b>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR 2022-23	-	139.47	-	-	0.90	-	<b>140.37</b>
<b>BALANCE AS OF MARCH 31, 2023</b>	<b>848.00</b>	<b>914.13</b>	<b>0.02</b>	<b>8.98</b>	<b>(1.05)</b>	<b>-</b>	<b>1,770.08</b>

**AS PER OUR REPORT OF EVEN DATE ATTACHED**

**FOR AND ON BEHALF OF THE BOARD**

**FOR O P BAGLA & CO LLP**  
**CHARTERED ACCOUNTANTS**  
**FIRM REGN NO. – 000018N/N500091**

**T.K. SOMANI**  
**DIRECTOR**  
**DIN : 00011223**

**SHOBHA SAHNI |**  
**DIRECTOR**  
**DIN : 07478373 |**

**ATUL BAGLA**  
**PARTNER**  
**M.NO. 91885**

**VIKASH RAWAL**  
**CHIEF EXECUTIVE OFFICER**

**SABINA NAGPAL**  
**COMPANY SECRETARY & LAW OFFICER**

**ATUL GUPTA**  
**CHIEF FINANCIAL OFFICER**

**PLACE : NEW DELHI**  
**DATED : 29/05/2023**



**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023**

S. NO.	PARTICULARS	AMOUNT ( RS. IN LACS)	
		FOR THE YEAR ENDED 31.03.2023	FOR THE YEAR ENDED 31.03.2022
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	<b>NET PROFIT/(LOSS) BEFORE TAX</b>	<b>186.32</b>	<b>185.09</b>
	ADD: DEPRECIATION & NON CASH EXPENSES	11.47	7.44
	LESS: INTEREST ON LOAN	(173.59)	(174.24)
	LESS: INTEREST & OTHER INCOME	(52.44)	(31.63)
	<b>OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES</b>	<b>(28.24)</b>	<b>(13.33)</b>
	<b>ADJUSTMENTS FOR</b>		
	INCREASE/DECREASE IN INVENTORIES	825.45	48.46
	INCREASE/DECREASE IN TRADE RECEIVABLES	-	5.47
	INCREASE/DECREASE IN OTHER CURRENT ASSETS	(25.21)	110.38
	INCREASE/DECREASE IN TRADE PAYABLE	(494.69)	987.94
	INCREASE/DECREASE IN OTHER FINANCIAL LIABILITIES	13.35	13.13
	INCREASE/DECREASE IN OTHER CURRENT LIABILITIES	(327.13)	(1,306.87)
	INCREASE/DECREASE IN SHORTG TERM PROVISION	-	-
	<b>CASH GENERATED/(LOST) FROM OPERATIONS</b>	<b>(36.48)</b>	<b>(154.81)</b>
	LESS: TAXES PAID	(72.63)	(45.03)
	<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(109.11)</b>	<b>(199.84)</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	INTEREST RECEIVED	233.59	203.12
	PURCHASE OF PROPERTY, PLANT & EQUIPMENT	(9.24)	(10.44)
	INVESTMENT IN ICD	500.00	-
	INVESTMENT IN FIXED DEPOSIT	309.49	(55.25)
	<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>1,033.84</b>	<b>137.43</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	ISSUE OF EQUITY SHARES WITH PREMIUM	-	-
	INTEREST PAID ON LOAN	-	-
	<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>
	<b>NET INCREASE/DECREASE IN CASH &amp; CASH EQUIVALENT</b>	<b>924.73</b>	<b>(62.41)</b>
	<b>OPENING CASH &amp; CASH EQUIVALENT</b>	<b>76.75</b>	<b>139.16</b>
	<b>CLOSING CASH &amp; CASH EQUIVALENT</b>	<b>1,001.49</b>	<b>76.75</b>

AS PER OUR REPORT OF EVEN DATE ATTACHED

FOR AND ON BEHALF OF THE BOARD

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CHARTERED ACCOUNTANTS  
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CHIEF FINANCIAL  
OFFICER

PLACE : NEW DELHI  
DATED : 29/05/2023



NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

AMOUNT ( RS. IN LACS)

**Note No. - 1 PROPERTY, PLANT & EQUIPMENT**

**PROPERTY, PLANT & EQUIPMENT**

PARTICULARS	OFFICE EQUIPMENT	VEHICLES	FURNITURE & FIXTURES	COMPUTERS	TOTAL
<b>Gross Block</b>					
AS AT 01.04.2021	8.52	6.98	9.99	2.59	28.08
ADDITIONS	9.75	-	-	0.69	10.44
DISPOSALS	-	-	-	-	-
AS AT 31.03.2022	18.27	6.98	9.99	3.28	38.52
ADDITIONS	1.19	8.05	-	-	9.24
DISPOSALS	-	-	-	-	-
AS AT 31.03.2023	19.46	15.03	9.99	3.28	47.76
<b>ACCUMULATED DEPRECIATION</b>					
AS AT 01.04.2021	2.78	2.76	4.95	1.11	11.61
CHARGES FOR THE PERIOD	2.61	1.32	1.30	0.90	6.13
DISPOSALS	-	-	-	-	-
AS AT 31.03.2022	5.40	4.08	6.25	2.02	17.74
CHARGES FOR THE PERIOD	5.99	2.29	0.97	0.56	9.81
DISPOSALS	-	-	-	-	-
AS AT 31.03.2023	11.39	6.37	7.22	2.58	27.56
<b>NET CARRYING AMOUNT</b>					
AS AT 31.03.2022	12.87	2.90	3.74	1.26	20.77
AS AT 31.03.2023	8.07	8.66	2.77	0.70	20.20

Note: The company has not revalued/fair valued its property, Plant and Equipments during the current and previous year.



NOTES FORMING PART OF THE CONSOLIDATED BALANCE SHEET

PARTICULARS	AMOUNT ( RS. IN LACS)	
	AS AT 31.03.2023	AS AT 31.03.2022
<b>NOTE NO- 2</b> <b>DEFERRED TAX ASSETS (NET)</b> <b>TIMING DIFFERENCE ON ACCOUNT OF</b>		
- FIXED ASSETS	3.03	1.97
- BUSINESS LOSS	28.30	25.84
- UNABSORBED DEPRECIATION	0.55	0.43
- EMPLOYEE BENEFITS	3.11	2.72
- OTHERS - OCI	0.36	0.66
	<b>35.34</b>	<b>31.62</b>
<b>NOTE NO- 3</b> <b>INVENTORIES</b> TRADED GOODS	185.96	1,011.41
	<b>185.96</b>	<b>1,011.41</b>
<b>NOTE NO- 4</b> <b>CASH &amp; CASH EQUIVALENTS</b> <b>- BALANCE WITH BANK</b> IN CURRENT ACCOUNT - CASH ON HAND <b>- OTHER BANK BALANCE</b> IN FIXED DEPOSITS (MORE THAN 3 MONTHS & NOT LESS THAN 12 MONTHS)	466.50 1.74 533.25	62.59 0.96 13.21
	<b>1,001.49</b>	<b>76.75</b>
<b>NOTE NO- 5</b> <b>BANK BALANCES OTHER THAN CASH &amp; CASH EQUIVALENTS</b> <b>- OTHER BANK BALANCES</b> - FIXED DEPOSITS* * MATURITY PERIOD MORE THAN 3 MONTHS	218.21	527.70
	<b>218.21</b>	<b>527.70</b>
<b>NOTE NO- 6</b> <b>CURRENT LOANS</b> <b>- INTER CORPORATE DEPOSITS</b> - SECURED, CONSIDERED GOODS	1,000.00	1,500.00
	<b>1,000.00</b>	<b>1,500.00</b>



<b>PARTICULARS</b>	<b>AS AT 31.03.2023</b>	<b>AS AT 31.03.2022</b>
<b>NOTE NO- 7</b>		
<b>OTHER FINANCIAL ASSETS</b>		
- INTEREST RECEIVABLE	7.10	14.65
- SECURITY DEPOSITS	0.67	0.67
	<b>7.77</b>	<b>15.32</b>
<b>NOTE NO- 8</b>		
<b>CURRENT TAX ASSETS</b>		
- TDS & ADVANCE TAX FOR THE FY 2019-20	330.47	330.55
- CURRENT YEAR TDS & ADVANCE TAX	0.08	-
	<b>330.55</b>	<b>330.55</b>
<b>NOTE NO- 9</b>		
<b>OTHER CURRENT ASSETS</b>		
<b>(UNSECURED, CONSIDERED GOOD)</b>		
ADVANCES RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED		
- PREPAID EXPENSES	0.32	0.45
- DUTIES & TAXES RECEIVABLE	74.20	50.14
- OTHER ADVANCES	1.76	0.48
	<b>76.28</b>	<b>51.07</b>
<b>NOTE NO- 10</b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED:</b>		
2,00,00,000 EQUITY SHARES (PREVIOUS YEAR 2,00,00,000 EQUITY SHARES) OF Rs. 10/- EACH	<b>2,000.00</b>	<b>2,000.00</b>
<b>ISSUED, SUBSCRIBED &amp; PAID UP:</b>		
45,69,000 EQUITY SHARES (PREVIOUS YEAR 45,69,000 EQUITY SHARES) OF Rs. 10/- EACH	<b>456.90</b>	<b>456.90</b>
<b>Reconciliation of the shares outstanding at the beginning and at the end of the period</b>		
<b>EQUITY SHARES AT RS. 10 EACH</b>	<b>AS AT 31.03.2023</b>	<b>AS AT 31.03.2022</b>
SHARES OUTSTANDING AT THE BEGINNING OF THE YEAR	45.69	45.69
SHARES ISSUED DURING THE YEAR	-	-
SHARES BOUGHT BACK DURING THE YEAR	-	-
ANY OTHER MOVEMENT (PLEASE SPECIFY)	-	-
SHARES OUTSTANDING AT THE END OF THE YEAR	45.69	45.69
<b>Detail of shareholders holding more than 5% shares in the company</b>		
<b>NAME OF SHAREHOLDERS</b>	<b>No. of shares / % holding in the class</b>	<b>No. of shares / % holding in the class</b>
M/S INDO POWERTECH LIMITED	16,50,000/36.11%	16,50,000/36.11%
M/S UNI COKE PRIVATE LIMITED	13,05,000/28.56%	13,05,000/28.56%
M/S ALPS VYAPAR PRIVATE LIMITED	5,22,500/11.44%	5,22,500/11.44%

**Terms/rights attached to equity shares**

*Class of Equity Shares, Par Value, Vote per Share, dividend proposed, Distribution at the time of liquidation of co.*

The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



<b>PARTICULARS</b>	<b>AS AT 31.03.2023</b>	<b>AS AT 31.03.2022</b>
<b>NOTE NO- 11</b>		
<b>OTHER EQUITY</b>		
- CAPITAL RESERVES	0.02	0.02
- SECURITIES PREMIUM RESERVE	848.00	848.00
- CAPITAL RESERVES ON CONSOLIDATION	8.98	8.98
- RETAINED EARNING	914.13	774.66
- OTHER COMPREHENSIVE INCOME/(LOSS)	(1.05)	(1.96)
<b>TOTAL EQUITY</b>	<b>1,770.08</b>	<b>1,629.71</b>
<b>NOTE NO- 12</b>		
<b>NON CURRENT LIABILITIES</b>		
<b>LONG-TERM PROVISIONS</b>		
<b>PROVISION FOR EMPLOYEE BENEFITS</b>		
- PROVISION FOR GRATUITY (REFER NOTE NO - 26.27)	13.40	12.99
	<b>13.40</b>	<b>12.99</b>
<b>NOTE NO- 13</b>		
<b>TRADE PAYABLES</b>		
<b>UNSECURED CONSIDERED GODDS</b>		
- OTHERS	535.32	1,030.01
	<b>535.32</b>	<b>1,030.01</b>
<b>NOTE NO- 14</b>		
<b>OTHER FINANCIAL LIABILITIES</b>		
- EMPLOYEE BENEFITS PAYABLE	27.25	24.39
- EXPENSES PAYABLE	14.16	8.28
- DUTIES & TAXES PAYABLE	4.61	-
	<b>46.02</b>	<b>32.67</b>
<b>NOTE NO- 15</b>		
<b>OTHER CURRENT LIABILITIES</b>		
- ADVANCE FROM CUSTOMERS	14.28	377.47
- OTHER CURRENT LIABILITIES	38.72	2.66
	<b>53.00</b>	<b>380.13</b>
<b>NOTE NO- 16</b>		
<b>CURRENT LIABILITIES:- PROVISIONS</b>		
- PROVISION FOR GRATUITY (REFER NOTE NO -26.27)	0.36	0.31
	<b>0.36</b>	<b>0.31</b>
<b>NOTE NO- 17</b>		
<b>CURRENT TAX LIABILITIES (NET)</b>		
- CURRENT YEAR INCOME TAX PAYABLE	51.07	52.47
- LESS :- CURRENT YEAR TDS & ADVANCE TAX	(50.35)	(29.99)
	<b>0.72</b>	<b>22.48</b>



NOTES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS STATEMENT

AMOUNT (RS. IN LACS)

PARTICULARS	FOR THE YEAR ENDED 31.03.2023	FOR THE YEAR ENDED 31.03.2022
<b>NOTE NO- 18 REVENUE FROM OPERATION</b>		
- TRADED GOODS	14,867.69	10,397.11
- OTHER OPERATING INCOME	186.33	76.17
	<b>15,054.02</b>	<b>10,473.28</b>
<b>NOTE NO- 19 OTHER INCOME</b>		
- INTEREST ON FIXED DEPOSIT	52.44	31.63
- INTEREST ON LOAN	173.59	174.24
- OTHER INTEREST INCOME	0.00	0.00
- DIFFERENCE IN FOREIGN EXCHANGE	152.74	106.79
- OTHER INCOME	10.00	11.25
	<b>388.77</b>	<b>323.91</b>
<b>NOTE NO- 20 PURCHASE OF STOCK IN TRADE</b>		
- PURCHASES OF TRADED GOODS	13,966.92	10,338.19
- DIRECT EXPENSES	234.12	15.88
	<b>14,201.04</b>	<b>10,354.07</b>
<b>NOTE NO- 21 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE INVENTORIES AT THE END OF THE YEAR</b>		
TRADED GOODS (B) <b>INVENTORIES AT THE BEGINNING OF THE YEAR</b>	185.96	1,011.41
TRADED GOODS (A)	1,011.41	1,059.87
<b>(A-B)</b>	<b>825.45</b>	<b>48.46</b>
<b>NOTE NO- 22 EMPLOYEE BENEFITS EXPENSE</b>		
- SALARIES & ALLOWANCES	111.37	65.97
- OTHER BENEFITS	14.85	17.10
- STAFF WELFARE	11.21	2.96
	<b>137.43</b>	<b>86.03</b>





PARTICULARS	FOR THE YEAR ENDED 31.03.2023	FOR THE YEAR ENDED 31.03.2022
<b>NOTE NO- 23</b>		
<b>FINANCE COSTS</b>		
- BANK CHARGES	1.54	0.84
	<b>1.54</b>	<b>0.84</b>
<b>NOTE NO- 24</b>		
<b>OTHER EXPENSES</b>		
- RENT CHARGES	15.38	22.41
- TRAVELING EXPENSES	6.80	21.29
- LEGAL & PROFESSIONAL CHARGES	33.80	33.37
- FEES & SUBSCRIPTION	0.54	0.25
- FILING FEES	0.14	0.53
- LISTING FEES	3.00	3.00
- BUSINESS PROMOTION EXPENSES	1.25	3.31
- CONVEYANCE EXPENSES	1.68	1.17
- POSTAGE & COURIER EXPENSES	0.15	0.24
- TELEPHONE & INTERNET EXPENSES	0.96	1.42
- ELECTRICITY EXPENSES	3.55	4.46
- REPAIRS & MAINTENANCE	3.61	9.95
- ADVERTISEMENT EXPENSES	0.34	0.33
- SOFTWARE EXPENSES	1.74	0.44
- MISCELLANEOUS EXPENSES	0.09	1.16
- PRINTING & STATIONARY	1.27	1.93
- SECURITY EXPENSES	4.23	3.64
- INSURANCE CHARGES	0.37	0.37
- STAFF RECRUITMENT EXPENSES	-	0.16
- CSR EXPENDITURE	-	5.26
<b>PAYMENT TO AUDITORS</b>		
- STATUTORY AUDIT FEES	2.05	1.64
- TAX AUDIT FEES	0.25	0.25
	<b>81.20</b>	<b>116.57</b>
<b>NOTE NO- 25</b>		
<b>INCOME TAX EXPENSE</b>		
<b>(A) INCOME TAX EXPENSE RECOGNISED IN STATEMENT OF PROFIT &amp; LOSS ACCOUNT</b>		
- CURRENT TAX	51.07	52.47
- EARLIER YEAR TAX	(0.20)	0.19
- DEFERRED TAX	(4.02)	(3.20)
	<b>46.85</b>	<b>49.46</b>
<b>(B) INCOME TAX EXPENSE ON OTHER COMPREHENSIVE INCOME</b>		
REMEASUREMENT OF DEFINED BENEFIR OBLIGATIONS	(0.30)	0.59
	<b>(0.30)</b>	<b>0.59</b>



**Note No – 26**

**A. SIGNIFICANT ACCOUNTING POLICIES.**

**26.1 A) Group Overview**

Emergent Industrial Solutions Limited (Formerly Emergent Global Edu & Services Limited) (the Company) is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its Equity shares are publicly traded on BSE Limited ("BSE"). The registered office of the Company is situated at 8B, Sagar, 6 Tilak Marg, New Delhi – 110001.

The parent company and its subsidiary (collectively referred to as 'the Group') are engaged in the business of trading activities of Coal, Coke, Manganese ore, other Metal Products and Educations services. These consolidated financial statements were authorized for issue in accordance with a resolution of the directors on dated 29.05.2023.

**B) Group Information**

The Company has only one subsidiary as at 31st March 2023 are set out below. It has Share Capital consisting solely of equity shares that are held directly by the Company.

Name of Subsidiary	Principal Activity	Place of Business & Country of Incorporation	Ownership Interest and Voting Rights (%)	
			2023	2022
Indo Education Pvt Ltd	Education Services	New Delhi / India	100%	100%

**26.2 Basis of Preparation of Financial Statements**

**A) Statement of Compliance**

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015, read with section 133 of the Companies Act, 2013. (as amended from time to time).

**B) Basis of Preparation**

The Consolidated Financial Statements have been prepared in accordance with IND AS and Disclosures thereon comply with requirements of IND AS, stipulations contained in Schedule- III (revised) as applicable under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014, Companies (Indian Accounting Standards) Rules 2015 as amended form time to time, other pronouncement of ICAI, provisions of the Companies Act and Rules and guidelines issued by SEBI as applicable

**26.3 Principle of Consolidation**

The Consolidated Financial Statements (CFS) includes the financial statements of the Company and its subsidiary as stated above Para no.26.1(B). The consolidated financial statements have been prepared on the following basis: -

- A)** The financial statements of the company and its subsidiary are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.
- B)** Profit or loss and each component of other comprehensive income are attributed to the Group as owners.
- C)** All intergroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation

**26.4 Use of Estimates**

Ind AS enjoins management to make estimates and assumptions related to financial statements that affect reported amount of assets, liabilities, revenue, expenses and contingent liabilities pertaining to the year.



Actual result may differ from such estimates. Any revision in accounting estimates is recognized prospectively in the period of change and material revision, including its impact on financial statements, is reported in the notes to accounts in the year of incorporation of revision.

## **26.5 Recognition of Income and Expenses**

- a) The Group derives revenues primarily from sale of traded goods and related services.

Under Ind AS 115, the Company recognized revenue when (or as) a performance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer.

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue is measured based on transaction price, which is the value of the consideration received or receivable, stated net of discounts, returns and Goods & Service Taxes. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate, and provide for the discounts/right of return, using the expected value method.

- b) Revenue from services are recognized in proportion to the stage of completion of transaction at the end of reporting period, and cost incurred in the transaction including same to complete

the transaction and revenue (representing economic benefit associated with the transaction) can be measured reliably.

- c) Other incomes have been recognized on accrual basis in financial statements except for cash flow information.

## **26.6 Financial instruments**

### **(i) Financial Assets**

#### **Initial Recognition and Measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

#### **Subsequent Measurement**

For purpose of subsequent measurement financial assets are classified in two broad categories:-

- Financial Assets at fair value
- Financial assets at amortized cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of Profit and loss, or recognized in other comprehensive income.

#### **A financial asset that meets the following two conditions is measured at amortized cost.**

- **Business Model Test:** The objective of the company's business model is to hold the financial Asset to collect the contractual cash flows.
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.



**A financial asset that meets the following two conditions is measured at fair value through OCI:-**

- **Business Model Test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value through profit and loss. All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected irrevocable option to present value changes in OCI.

**Investment in associates, joint venture and subsidiaries**

The Group has accounted for its investment in subsidiaries, associates and joint venture at cost.

**Impairment of financial assets**

The company assesses impairment based on expected credit losses (ECL) model at an amount equal to:-

- 12 months expected credit losses, or
- Lifetime expected credit losses

Depending upon whether there has been a significant increase in credit risk since initial recognition.

However, for trade receivables, the company does not track the changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

**(ii) Financial Liabilities**

All financial liabilities are initially recognized at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities are classified as measured at amortized cost or fair value through profit and loss (FVTPL). A financial liability is classified as FVTPL if it is classified as held for trading, or it is a derivative or is designated as such on initial recognition. Financial Liabilities at FVTPL are measured at fair value and net gain or losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss. Any gain or loss on de-recognition is also recognized in statement of profit and loss.

**26.7 Fair Value Measurement**

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.



A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

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

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

For assets and liabilities that are recognized in the Consolidated Financial Statements on a recurring basis, the Group determines Whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's Valuation Committee determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

## **26.8 Employee Benefits**

Liabilities in respect of employee benefits to employees are provided for as follows:

### **Post Separation Employee Benefit Plan**

#### **i) Defined Benefit Plan**

- Gratuity Liability on the basis of actuarial valuation as per IND AS-19. Liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of each reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of defined benefit is determined by discounting the estimated future cash outflows by reference to market yield at the end of each reporting period on government bonds that have terms approximate to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefits expense in the statement of profit and loss.
- Actuarial gain / loss pertaining to (i) & (ii) above and other components of re-measurement of net defined benefit liability (asset) are accounted for as OCI. All remaining components of costs are accounted for in statement of profit & loss.

## **26.9 Income Tax and Deferred Tax**

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed, it also takes into account current income tax relating to items recognised outside profit or loss (either in other comprehensive income or in equity) in accordance with the provisions of the relevant tax laws. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate. Current tax assets and current tax liabilities are offset if a legally enforceable right exists to set off the recognised amounts.

Deferred tax is provided using balance sheet approach on temporary differences at the reporting date as difference between the tax base and the carrying amount of assets and liabilities. Deferred tax is recognized subject to the probability that taxable profit will be available against which the temporary differences can be reversed.



Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other Comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of Investments in subsidiaries and interest in joint arrangements where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

#### **26.10 Provisions, Contingent Liability and Contingent Assets**

Disputed liabilities and claims against the Group including claims raised by fiscal authorities (e.g., Sales Tax, Income Tax Excise etc.) Pending in appeal / court for which no reliable estimate can be made and or involves uncertainty of the outcome of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts.

However, present obligation as a result of past event with possibility of outflow of resources, when reliable estimation can be made of the amount of obligation, is recognized in accounts in

terms of discounted value, if the time value of money is material using a current pre-tax rate that reflects the risk specific to the liability.

No contingent asset is recognized but disclosed by way of notes to accounts if any.

#### **26.11 Foreign Currency Translation**

The Group's financial statements are presented in INR in Lacs, which is also the Group's functional currency.

- a) Transactions in foreign currencies are recognized at rate of overseas currency ruling on the date of transactions. Gain / Loss arising on account of rise or fall in overseas currencies vis-à-vis functional currency between the date of transaction and that of payment is charged to Statement of Profit & Loss.
- b) Monetary Assets in foreign currencies are translated into functional currency at the exchange rate ruling at the Reporting Date and the resultant gain or loss, is accounted for in the Statement of Profit & Loss.
- c) Non-Monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
- d) Impact of exchange fluctuation is separately disclosed in notes to accounts.

#### **26.12 Earnings per Share**

Basic Earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributed to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.



### **26.13 Borrowing Cost**

Borrowing cost that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale.

Borrowing cost consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing cost are recognized as expense in the period in which they are incurred.

### **26.14 Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **26.15 Property, Plant and Equipment**

#### **Cost:-**

Property, Plant & Equipment held for use in the production or supply of goods or services, or for administration purposes, are stated in the balance sheet at costs (net of duty/tax credit availed) less accumulated depreciation and accumulated impairment losses. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commence when the assets are ready for their intended use.

#### **Depreciation/Amortization:**

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period with the effect of any changes in estimate accounted for on a prospective basis.

### **26.16 Expenditure during Project Period**

Expenditure of Subsidiary Company (M/s Indo Education Private Limited) directly relating to a project/expansion is capitalised. Indirect expenditure incurred during gestation period is capitalised as part of the indirect cost to the extent to which the expenditure is indirectly related to project or is incidental thereto.

All direct capital expenditure on expansion is capitalised. As regards indirect expenditure on expansion, only that portion is capitalised which represents the marginal increase in such expenditure as a results of capital expansion. Both direct and indirect expenditure are capitalised only if they increase the value of the asset beyond its original standard of performance.

### **26.17 Intangible Assets**

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

### **26.18 Impairment**

#### **(i) Impairment of Financial Assets**

The Group assesses impairment based on expected credit losses (ECL) model at an amount equal to:-



- 12 months expected credit losses, or
- Lifetime expected credit losses

Depending upon whether there has been a significant increase in credit risk since initial recognition.

However, for trade receivables, the company does not rack the changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

### **(iii) Impairment of Non-Financial Assets**

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

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

### **26.19 Current versus Non-Current Classification**

The Group presents assets and liabilities in the Balance Sheet based on current/non-current classification.

#### **An Asset is current when it is:**

- a) Expected to be realised or intended to be sold or consumed in the normal operating cycle.
- b) Held primarily for the purpose of trading.
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or Cash Equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as Non- Current

#### **A Liability is current when it is:**

- a) Expected to be settled in the normal operating cycle.
- b) Held primarily for the purpose of trading.
- c) Expected to be realised within twelve months after the reporting period, or
- d) There is no conditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as Non- Current.

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

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

### **26.20 Cash Flow Statement**

Cash Flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### **26.21 Inventories**

Inventories are valued at the lower of Cost and Net Realizable Value. The Cost for this purpose is determined as follows:





- Traded goods (traded): First in First Out method (FIFO).

Cost includes the necessary cost incurred in bringing inventory to its present location and condition necessary for use.

Net Realizable Value is the estimated selling price including applicable subsidy in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

## **26.22 Leases**

The Group has applied Ind AS 116 from 1 April 2019.

### **Leases under Ind AS 116**

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### *(i) As lessee*

The Group's lease asset classes primarily consist of leases for buildings. The Group, at the inception of a contract, assesses whether the contract is a lease or not. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered on or after 1 April 2019.

The Group elected to use the following practical expedients on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to



reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The Company recognises the lease payments associated with these leases as an expense in the Statement of Profit or Loss over the lease term.

*(ii) As lessor*

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue to allocate the consideration in the contract.

**B. NOTES ON ACCOUNTS.**

**26.23** Sundry Debtors, Loans & Advances if any are subject to confirmation.

**26.24** Additional information as required under part II of the Schedule III of the Companies Act, 2013:-

**A. Foreign Currency**

Particulars	2022-23	2021-22
	(Rs. In Lacs)	(Rs. In Lacs)
<b>c. Expenses in Foreign Currency</b>		
- Travelling Expenditure	-	1.15
- Purchases	13,695.79	10,097.74
<b>d. Earnings in Foreign Exchange</b>	-	-

**B. Details of Traded Goods – Purchases**

Name of Goods	2022-23	2021-22
	(Rs. In Lacs)	(Rs. In Lacs)
Coking Coal	-	4,252.84
Coke Breeze	-	1,005.84
Steam Coal	10,733.67	-
Manganese Ore	3,233.25	5,079.51
<b>Total</b>	<b>13,966.92</b>	<b>10,338.19</b>



**C. Details of Traded Goods- Sale**

Name of Goods	2022-23	2021-22
	(Rs. In Lacs)	(Rs. In Lacs)
Coking Coal	-	5,246.52
Coke Breeze	-	991.49
Steam Coal	10,493.25	-
Manganese Ore	4,374.44	4,066.59
Anthracite Coal	-	92.51
<b>Total</b>	<b>14,867.69</b>	<b>10397.11</b>

**26.25 Other Particulars:**

**(a) C.I.F. Value of Imports :**

Particulars	Amount (Rs. in Lacs)	
	2022-23	2021-22
Traded Goods	13,696.45	10,099.42

**(b) Details of Contingent Liabilities and Commitments:**

Particulars	Amount (Rs. in Lacs)	
	2022-23	2021-22
Contingent Liabilities	Nil	Nil
Commitments	Nil	Nil

**26.26 Disclosure under Micro, small and Medium Enterprises Development (MSMED) Act, 2006:**

As per the information available with the Group and as certified by the management, there are no dues outstanding including interest as on 31st March, 2023 to Micro, Small and Medium Enterprises as defined under the Micro, small and Medium Enterprises Development (MSMED) Act, 2006.

**26.27 The disclosures as required as per the Ind AS 19 "Employee Benefits" are as given below:**

(a) The Group has long-time retirement benefit plan of gratuity at the year end no shortfall remains unprovided for. As advised by an independent actuary valuation.

**(b) Defined benefit plan**

In accordance with Ind AS 19, actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the followings assumptions:

As of	31.03.2023	31.03.2022
Mortality Table	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate
Attrition Rate	5.00 % p.a	5.00 % p.a
Imputed Rate of Interest (D)	07.50 % p.a	07.25 % p.a
Imputed Rate of Interest (IC)	07.50 % p.a	07.25 % p.a
Salary Raise	10.00 % p.a	10.00 % p.a
Return on Plan Assets	N.A	N.A
Remaining Working Life	19.10 Years	25.80 Years



( i ) Change in Present value of Obligations

Amount (Rs. in Lacs)

As of	31.03.2023	31.03.2022
<b>Present Value of obligation at the beginning of the I.V.P</b>	<b>13.30</b>	<b>9.65</b>
Interest Cost	0.96	0.70
Current Service Cost	2.90	2.39
BenefiTs Paid	(2.20)	(1.78)
Remeasurement (Gain) /Loss		
- Experience Adjustments	(1.21)	2.34
- D/F in P.V of Obligations	-	-
<b>Present value of obligation at the end of the I.V.P.</b>	<b>13.76</b>	<b>13.30</b>

( ii ) Change in the present value of Plan Assets (not relevant)

Amount (Rs. in Lacs)

As of	31.03.2023	31.03.2022
Fair Value of plant Assets As the beginning of the I. V. P	-	-
Expected Return of Plan Assets	-	-
Net Contribution	-	-
Withdrawals	-	-
Remeasurement (Gain) /Loss		
- Return on Plan Assets	-	-
Fair Value of Plan Assets at the end of the I.V.P.	-	-

( iii ) Net Interest Cost

Amount (Rs. in Lacs)

As of	31.03.2023	31.03.2022
Interest Cost on Defined Benefits Obligations	<b>0.96</b>	<b>0.70</b>
Expected Interest Income on Plan Assets	-	-
Net Interest Cost/(Income)	<b>0.96</b>	<b>0.70</b>

( iv ) Remeasurement - Other Comprehensive Income (OCI)

Amount (Rs. in Lacs)

As of	31.03.2023	31.03.2022
Return on Plan Assets (Excluding amounts included in Net Interest Expenses)	-	-
Actuarial (Gain) / Loss arising from		
- Experience Adjustment	(1.21)	2.34
- D/F in P.V of Obligations	-	-
Component of Defined Benefits Costs Recognised in OCI	<b>(1.21)</b>	<b>2.34</b>



**( v ) Expenses recognized in the Statement of Profit & Loss**

**Amount (Rs. in Lacs)**

<b>As of</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
Past Service Cost	-	-
Current Service Cost	2.90	2.39
Net Interest Cost/ (Income)	0.96	0.70
Defined Benefit Cost Recognised in the Statement of profit & Loss	<b>3.86</b>	<b>3.09</b>

**( vi ) Amount to be recognized in the Balance Sheet**

**Amount (Rs. in Lacs)**

<b>As of</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
Present value of the obligations At the end of the I. V. P.	<b>13.76</b>	<b>13.30</b>
Fair value of the Plan assets At the end of the I. V. P	-	-
Funded Status	-	-
Net Liability arising from Defined Benefit Obligations	<b>13.76</b>	<b>13.30</b>

**( vii ) Components of the Net Defined Obligations**

**Amount (Rs. in Lacs)**

<b>As of</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
<b>Net Defined Benefit obligation at the beginning</b>	<b>13.30</b>	<b>9.65</b>
Past Service Cost	-	-
Current Service Cost	2.90	2.39
Net Interest Cost/ (Income)	0.96	0.70
Net Remeasurement	(1.21)	2.34
Net Contribution from the Employer	-	-
D/F in Benefits paid and withdrawal	(2.20)	(1.78)
<b>Net Defined Benefit obligation at the end of the I.V.P</b>	<b>13.76</b>	<b>13.30</b>

**(viii) Category wise Plan Assets**

**Amount (Rs. in Lacs)**

<b>As of</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
Fund at the end of IVP:	-	-



## 26.28 Related Parties Disclosure: -

In accordance with the requirements of Ind AS – 24 “Related Party Disclosures” name of the related parties, related party relationship, transactions and outstanding balances where control exists and with whom transaction have been taken place during reported periods are:

### 1. Related Parties

#### a) Ultimate Holding Company

- Northern Exim Pvt Ltd

#### b) Entities with Significant Influence

- Uni Coke Private Limited
- Indo Powertech Limited.

#### c) Other Entities

- Indo International Trading FZCO
- Indo Investment Pvt. Ltd.
- Indo Macquarie Education Services Ltd.

#### d) Key Management Personnel

- Mr. T. K. Somani – Director
- Mr. Rakesh Suri – Director
- Ms. Shobha Sahni – Director
- Mr. Vikram Modi – Director w.e.f 31.08.2022
- Mr. R.C. Khanduri – Director upto 30.09.2022
- Mr. R.C. Khanduri – Director in Subsidiary Company
- Mr. Saatvik Somani – Director in Subsidiary Company
- Mr. D.K Jain – Director in Subsidiary Company
- Ms. Sabina Nagpal – Company Secretary
- Mr. Nitin Kumar – Chief Financial Officer upto 25.02.2023
- Mr. Vikash Rawal – Chief Executive Officer
- Mr. Atul Gupta – Chief Financial Officer w.e.f 27.04.2023

### 2. Transaction with Related Parties

#### Nature of Transaction

**Amt. (Rs. in Lacs)**

Particulars	FY 2022-2023	FY 2021-2022
Purchases		
- Indo International Trading FZCO	13,695.79	10,097.4
Rent Paid		
- Indo Investments Pvt Ltd	6.00	9.00
- Indo Macquarie Education Services Ltd	8.00	12.00
Reimbursement of Electricity Charges		
- Indo Investments Pvt Ltd	2.18	2.63



Remuneration, Allowances & Perquisite to Key Management Personnel		
- Ms. Sabina Nagpal	16.17	15.87
- Mr. Nitin Kumar	11.97*	8.60
- Mr. Vikash Rawal	31.76	30.92
*Employed part of the year and includes Gratuity paid at the time of Full & Final settlement.		
<b>Particulars</b>	<b>As on 31.03.2023</b>	<b>As on 31.03.2022</b>
<b>Outstanding Balance at the Year End:</b>		
Trade Payables		
- Indo International Trading FZCO	515.17	1,028.66

**26.29 Additional information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary**

Name of the Entity	Net Assets i.e, total Assets minus total Liabilities		Share in Profit or Loss		Other Comprehensive Income		Total Comprehensive income	
	As % of consolidated net assets	Amt. (Rs. in Lacs)	As % of consolidated profit or loss	Amt. (Rs. in Lacs)	As % of consolidated profit or loss	Amt. (Rs. in Lacs)	As % of consolidated profit or loss	Amt. (Rs. in lacs)
<b>Parent</b>								
Emergent Industrial Solutions Limited	106.71%	2376.48	107.00%	149.23	100%	0.91	106.95%	150.14
<b>Subsidiary</b>								
Indo Education Private Limited	(3.60%)	(80.26)	(7.00%)	(9.75)	-	-	(6.95%)	(9.76)
Adjustment arising out of consolidation	(3.11%)	(69.23)	-	-	-	-	-	-
<b>Total</b>	<b>100%</b>	<b>2226.98</b>	<b>100%</b>	<b>139.48</b>	<b>100%</b>	<b>0.91</b>	<b>100%</b>	<b>140.38</b>

**26.30 Segment Information: Disclosures as required by Indian Standards (Ind AS – 108) Operating Segments**

• **Information regarding Primary Segment Reporting as per IND AS – 108**

The Company is engaged in single segment business of merely trading of Coal, Coke, Manganese ore & other Metal Products which according to the management is considered as the only business segment.

Accordingly, no separate segmental information has been provided herein.



- **Geographical Segments**

The Company operates in India and therefore caters to the needs of the domestic market, therefore, there is only one geographical segment and hence, geographical segment information is not required to be disclosed.

**26.31 Additional disclosure / Regulatory Information as required by Notification no. GSR 207(E) dated 24.03.2021**

**i. Loan or advances granted to the promoters, directors and KMPs and the related parties**

No loan or advances in the nature of loans have been granted to the promoters, directors, key managerial persons and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are:

- a) Repayable on demand, or
- b) Without specifying any terms or period of repayment.

**ii. Details of Benami Property held**

No such property is held by the Group during the audit period. Further, No proceedings have been initiated or pending against the Group for holding any benami property under benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

**iii. Reconciliation of quarterly statement of current assets filed with banks or financial statements**

The Group has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets during any point of time of the year.

**iv. Wilful Defaulter**

No Company with in the Group has been declared as a wilful defaulter by any bank or financial Institution or other lender.

**v. Relationship with Struck off Companies**

There are no transaction with the companies whose name is struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March 2023 and the year ended 31 March 2022.

**vi. Registration of charges or satisfaction with Registrar of Companies**

No charges or satisfaction is pending to be registered with Registrar of Companies beyond the statutory period.

**vii. Compliance with number of layers of Companies**

No layers of companies has been established beyond the limit prescribed as per above said section / rules.

**viii. Compliance with approved Scheme(s) of Arrangements**

No scheme of arrangements has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.





**ix. Utilization of Borrowed funds and share premium:**

<b>Particulars</b>	<b>Description</b>
No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;	No such transaction has taken place during the year
No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.	No such transaction has taken place during the year

**x. Undisclosed Income**

There is no such income which has not been disclosed in the books of accounts. No such income is surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961.

**xi. Details of Crypto Currency or Virtual Currency**

<b>Particulars</b>	<b>31-March-2023</b>	<b>31-March-2022</b>
Profit or loss on transactions involving Crypto currency or Virtual Currency	No Such Transaction during the year	No Such Transaction during the year
Amount of currency held as at the reporting date	No Such Transaction during the year	No Such Transaction during the year
Deposits or advances from any person for the purpose of trading or investing in Crypto Currency / virtual currency	No Such Transaction during the year	No Such Transaction during the year

**xii. Corporate Social Responsibility (CSR)**

Section 135 of The Company Act 2013 and Rules made under prescribe that every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall ensure that the company spends, in every financial year, at least two per cent. of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. During the financial year 2022-23 no Company in the group meet any of the three criteria mentioned above thus, no amount required to be spent by any Company in the group under CRS provisions of the act in the financial year 2022-23.



a) Gross amount required to be spent by the Group during the year:

<b>Particulars</b>	<b>31.03.2023 Amount (Rs. in Lacs)</b>	<b>31.03.2022 Amount (Rs. in Lacs)</b>
Average net profit for last three financial years	N.A.	262.78
Gross amount required to be Spent till March, 2023 (2% of average net profits)	N.A.	5.26
Amount Spend	N.A.	5.26
Amount Unspend	N.A.	-

b) Amount spend during the year on:

<b>S. No.</b>	<b>Particulars</b>	<b>31.03.2023 Amount (Rs. in Lacs)</b>	<b>31.03.2022 Amount (Rs. in Lacs)</b>
<b>In Cash</b>			
1.	Construction / acquisition of any asset	N.A.	-
2	On purpose other than 1 above	N.A.	5.26
<b>Yet to be Paid in Cash</b>			
1.	Construction / acquisition of any asset	N.A.	-
2.	On purpose other than 1 above	N.A.	-

c) Nature of CSR Activities: N.A. (Previous Year -Assistance to Ramakrishna Mission Sevashrama (Charitable Hospital), Mathura, Uttar Pradesh.)

d) Details of related party transactions: NA

e) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately: NA

**xiii. Trade Receivable Ageing Schedule**

Trade Receivable Ageing Schedule is not applicable as no amount receivable from customers for the year ended 31.03.23 and 31.03.2022.

**xiv. Trade Payable Ageing Schedule**

**As at March 31, 2023**

<b>Particulars</b>	<b>Outstanding for following periods from due date of payment#</b>			
	<b>Less than 1 year</b>	<b>1 - 2 years</b>	<b>2 - 3 years</b>	<b>More than 3 years</b>
MSME	-	-	-	-
Others	535.32	-	-	-
Disputed dues- MSME	-	-	-	-
Disputed dues- Others	-	-	-	-
<b>Total</b>	<b>535.32</b>	-	-	-

**As at March 31, 2022**



Particulars	Outstanding for following periods from due date of payment#			
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
MSME	-	-	-	-
Others	1,030.01	-	-	-
Disputed dues- MSME	-	-	-	-
Disputed dues- Others	-	-	-	-
<b>Total</b>	<b>1,030.01</b>	-	-	-

# where due date is not available date, date of transaction has been considered.

Note: There are no unbilled payables, hence the same is not disclosed in the ageing schedule.

**xv. Utilization of Borrowed Funds**

The Group does not have any loans or other borrowings from banks, financial institutions or any other lenders.

**xvi. Financial Ratios**

Ratios	Numerator	Denominator	FY 2022-23	FY 2021-22	Variance in %age	Remarks
Current Ratio (in times)	Current Assets	Current Liabilities	4.44	2.40	85.18%	Decline in Current Liabilities resulting in increase in Current Ratio in current year
Debt Equity Ratio (in times)	Total Debt	Shareholder's Equity	N.A.	N.A.	-	
Debt service coverage ratio (in times)	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest# & Lease Payments + Principal Repayments	N.A.	N.A.	-	
Return on Net Worth (in %age)	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	6.26	6.50	(3.65%)	
Inventory Turnover (in times)	Cost of goods sold	Average Inventory	25.10	10.04	149.99%	Increase in purchases resulting in higher Inventory Turnover Ratio
Debtors Turnover (in times)	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	NA	NA	-	
Trade payables turnover (in times)	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	18.14	19.32	(6.06%)	Decline in purchases resulting in lower trade payables turnover ratio



Net capital turnover (in times)	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	6.89	5.12	34.68%	Increase in revenue resulting in higher net capital turnover ratio
Net Profit Margin (in %age)	Net Profit	Net sales = Total sales - sales return	0.93	1.30	(28.46%)	Decrease in Gross Profit Margin resulting in decrease in net profit ratio
Return on capital employed (in %age)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	8.44	8.91	(5.27%)	
Return on Investment	Return on Investment	Investment Value	NA	NA	-	

### 26.32 Earnings per share

Particulars	2022-23	2021-22
Profit After Taxation (Rs. in Lacs)	<b>139.47</b>	<b>135.63</b>
Number of equity shares as on 31 <sup>st</sup> March (Nos)	45,69,000	45,69,000
Weighted average number of Share (Nos)	45,69,000	45,69,000
Nominal Values of Shares Outstanding (Rs.)	<b>10</b>	<b>10</b>
Basic & Diluted Earnings per Share (Amount in Rs.)	<b>3.05</b>	<b>2.97</b>

### 26.33 Financial risk management objectives and Policies

The Group activities are exposed to a variety of financial risks from its operations. The key financial risks include market risk, credit risk and liquidity risk. The company's overall risk management policy seeks to minimize potential adverse effects on company's financial performance.

#### (i) Market Risk:

Market risk is the risk that the fair value of future cash flow of financial instruments will fluctuate because of change in market prices. Market risk comprises mainly three types of risk: interest rate, currency risk and other price risk such as equity price risk and commodity price risk.

#### (a) Foreign Currency Risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange risk through its operations in international trades. The results of the Company's operations can be affected as the rupee appreciates/depreciates against these currencies. The Company has developed and enacted a risk management strategy to mitigate the risk of changes in exchange rates on foreign currency exposures.



**(b) Interest Rate Sensitivity:**

Interest rate risk is the risk that the fair value of future cash flow of financial instruments will fluctuate because of change in market interest rates. The Company has not taken any loan from bank & financial institutions; hence there is not any interest rate risk.

**(c) Other Price Risk:**

• **Equity Price Risk:**

The Group does not have any equity investment except investment in Subsidiary Company. The Subsidiary company investment to be shown at Carrying value as at the date of transition to IND AS, measured as per previous GAAP are treated as their deemed costs as at the date of transition.

• **Commodity Price Risk:**

The operating activities of the Company are mainly involving trading of commodities such as coal, coke, ores, metals etc. Almost all the purchases are covered by corresponding sale contracts thus the chances of price risk are negligible. The Company has also developed and enacted a risk management strategy regarding commodity price risk and its mitigation.

**(ii) Credit Risk:**

Credit risk refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, Inter Corporate deposit, derivative financial instruments, other balances with banks, loans and other receivables.

Credit risk arising from investment derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counter parties are banks and recognised financial institutions with high credit ratings.

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

- i. Trade receivables
- ii. Balance with banks & fixed Deposits
- iii. Financial assets measured at amortized cost (other than trade receivables)
- iv. Others

**Trade Receivables:**

Customer credit risk is managed through the company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on the security held in his account. Outstanding customer receivables are regularly monitored. At the year end, the company does not have any outstanding trade receivable.

**Balance & fixed Deposits with banks:**

Credit Risk from balances & Fixed Deposits with banks is managed by the Company's Finance Department in accordance with the company's policy. Investments of surplus funds are made only with banks as Fixed Deposits.

**Other Assets:**

The Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. Subsequently, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance. Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in



credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of Profit and Loss under the head 'Finance Costs'. The balance sheet presentation for financial instruments is described below:

Financial assets measured as at amortized cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

**(iii) Liquidity Risk:**

Liquidity risk is the risk, where the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company monitors its risk of a shortage of funds using future cash flow projections. The Company manages its liquidity needs by continuously monitoring cash flow from customers and by maintaining adequate cash & cash equivalent. The Company's objective is to maintain a balance between continuity of funding and flexibility through shareholder funds or borrowings from the holding company or sister concerns.

**26.34 Fair Valuation Techniques**

The Group maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying Amt.	Fair Value	Carrying amt.	Fair Value
<b>Financial Assets</b>				
Trade Receivables	-	-	-	-
Cash & Cash Equivalents	1001.49	1001.49	76.75	76.75
Bank Balances other than Cash & Cash Equivalents	218.21	218.21	527.70	527.70
Loans	1000.00	1000.00	1500.00	1500.00
Other Financial Assets	7.77	7.77	15.32	15.32
<b>Financial Liabilities</b>				
Trade Payable	535.32	535.32	1030.01	1030.01
Other Financial Liabilities	46.02	46.02	32.67	32.67

**The following methods and assumptions were used to estimate the fair values:**

- 1) Fair value of cash and deposits, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.



2) Other non-current receivables are evaluated by the Company, based on parameters such as interest rates, individual creditworthiness of the counterparty etc. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

3) Fair value of Investments in un-quoted non-current Equity Shares are based on carrying cost.

#### **Fair Value hierarchy**

All financial assets and liabilities for which fair value is measured in the financial statements are categorized within the fair value hierarchy, described as follows: -

**Level 1** - Quoted prices in active markets.

**Level 2** - Inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.

**Level 3** - Inputs that are not based on observable market data.

#### **26.35 Leases: Non-cancellable Operating Leases**

The operating leases entered by the Company are cancellable on serving a notice of one to three months and accordingly, there are no non-cancellable operating leases required commitments for operating lease payments.

**26.36** Previous year figures have been re-grouped and recast wherever necessary to make them comparable with those of the current year.

**26.37** The Consolidated Financial Statements are presented in lacs. Those items which are required to be disclosed and which were not presented in the Consolidated Financial Statement due to rounding off to the nearest ` in lacs if any are separately disclosed along with line items.

**26.38** Notes 1 to 26 form an integral part of the Consolidated Balance Sheet and Statement of Profit & Loss of the Company.

**AS PER REPORT OF EVEN DATE**

**FOR & ON BEHALF OF THE BOARD**

**FOR O P BAGLA & CO LLP**  
**CHARTERED ACCOUNTANTS**  
**FIRM REGN NO. – 000018N/N500091**

**ATUL BAGLA**  
**PARTNER**  
**M.NO. 91885**

**T.K. SOMANI**  
**DIRECTOR**  
**DIN : 0011233**

**SHOBHA SAHNI**  
**DIRECTOR**  
**DIN : 07478373**

**VIKASH RAWAL**  
**CHIEF EXECUTIVE**  
**OFFICER**

**SABINA NAGPAL**  
**COMPANY SECRETARY**  
**& LAW OFFICER**

**ATUL GUPTA**  
**CHIEF FINANCIAL**  
**OFFICER**

**PLACE: NEW DELHI**  
**DATED : 29.05.2023**



**FORM – AOC-1**

**(PURSUANT TO FIRST PROVISIO TO SUB – SECTION (3) OF SECTION 129 READ WITH RULE 5 OF COMPANIES(ACCOUNTS) RULE,2014)**

**STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARY PART "A" SUBSIDIARIES**

**AMOUNT (RS. IN LACS)**

<b>SI. NO.</b>	<b>PARTICULARS</b>	<b>DETAILS</b>
1	NAME OF THE SUBSIDIARY COMPANY:	INDO EDUCATION PRIVATE LIMITED
2	THE DATE SINCE WHEN SUBSIDIARY WAS ACQUIRED	28.09.2010
3	REPORTING PERIOD FOR THE SUBSIDIARY CONCERNED, IF DIFFERENT FROM THE HOLDING COMPANY'S REPORTING PERIOD	N.A.
4	REPORTING CURRENCY AND EXCHANGE RATE AS ON THE LAST DATE OF THE RELEVANT FINANCIAL YEAR IN THE CASE OF FOREIGN SUBSIDIARIES	N.A.
5	SHARE CAPITAL	27.50
6	RESERVES & SURPLUS	(107.77)
7	TOTAL ASSETS	55.62
8	TOTAL LIABILITIES	135.89
9	INVESTMENTS	NIL
10	TOTAL RECEIPTS	0.89
11	PROFIT / (LOSS) BEFORE TAXATION	(12.29)
12	PROVISION FOR TAXATION	(2.53)
13	PROFIT / (LOSS) AFTER TAXATION	(9.76)
14	PROPOSED DIVIDEND	NIL
15	% OF SHAREHOLDING	100%

**FOR AND ON BEHALF OF THE BOARD**

**FOR O P BAGLA & CO LLP**  
**CHARTERED ACCOUNTANTS**  
**FIRM REGN NO. – 000018N/N500091**

**T. K. SOMANI**  
**DIRECTOR**  
**DIN : 00011233**

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**& LAW OFFICER**

**ATUL GUPTA**  
**CHIEF FINANCIAL**  
**OFFICER**

**PLACE : NEW DELHI**  
**DATE : 29.05.2023**





## Route Map-

