

Date: September 06, 2023

To,

The Listing
Department
BSE Limited
Phirozee Jeejeebhoy
Towers Dalal
Street, 25th Floor
Mumbai - 400 0010

To,

The Calcutta Stock Exchange Ltd.
7, Lyons Range
Kolkata -700 001

Sub: Submission of Annual Report for the Financial Year 2022-23

Dear Sir/Madam,

In terms of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a copy of Annual Report of the Company for the financial year ended on March 31, 2023 is enclosed. The same is also available on the website of the Company at www.eliteconinternational.com as required under Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

You are requested to kindly take note of this. Thanking you,

Yours faithfully,

For **ELITECON INTERNATIONAL LIMITED**

For **ELITECON INTERNATIONAL LTD.**



Director

(VIPIN SHARMA)

Managing Director

DIN: 01739519

ENCL: as above

ELITECON INTERNATIONAL LIMITED

36th ANNUAL REPORT 2022-23

**REGISTERED OFFICE: 152, Shivani Apartments, Plot No. 63, I.P.
Extention, Patparganj, Delhi -110092,**

**CORPORATE OFFICE: 152, Shivani Apartments, Plot No. 63, I.P. Extention,
Patparganj, Delhi -110092,**

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Board of Directors

Vipin Sharma

Managing Director

Dayanand Ray

Additional Executive Director

Monam Kapoor

Non-Executive Independent Director

Ish Sadana

Non-Executive Independent Director

Preeti

Non-Executive Independent Director

Auditors

M/s V.N. Purohit & Co., Chartered Accountants

214, New Delhi House, 2nd Floor,

27, Barakhamba Road,

New Delhi - 110001

Phone: 011-43596011

Email: delhi@vnp.in

Chief Financial Officer

Chetna

Company Secretary & Compliance Officer

Neha Anuj

Registrar & Share Transfer Agents

Bigshare Services Pvt. Ltd.

Registered Office: E-3 Ansa Industrial Estate
Saki Vihar Road Sakinaka Mumbai MH 400072

Corporate Office: Office No S6-2, 6th Floor,
Pinnacle Business Park, Next to Ahura Centre,
Mahakali Caves Road, Andheri (East) Mumbai -
400093

Phone: 022-62638200

Email Id: lawoo@bigshareonline.com.

Website: www.bigshareonline.com

Registered Office of the Company

152, Shivani Apartments, Plot No. 63, IP
Extention, Patparganj, Delhi -110092, Phone: 91-
9871761020

Email ID: admin@eliteconinternational.com,

Website: www.eliteconinternational.com

CIN: L16000DL1987PLC396234

ISIN: INE669R01018

BSE Scrip Code: 539533

Bankers

Axis Bank Limited

HDFC Bank Limited

Kotak Mahindra Bank Limited

State Bank of India

ELITECON INTERNATIONAL LIMITED

Regd. Off: 152, Shivani Apartments, Plot No. 63, IP Extention, Patparganj, Delhi -110092

CIN: L16000DL1987PLC396234

Phone:- 91-9871761020

Email Id: admin@eliteconinternational.com Website: www.eliteconinternational.com

NOTICE

Notice is hereby given that 36th Annual General Meeting of the Members of Elitecon International Limited will be held at its registered office of the Company at 152, Shivani Apartments, Plot No. 63, IP Extention, Patparganj, Delhi -110092 on September 30, 2023 at 04:00 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2023, including the Audited Balance Sheet as at 31st March, 2023, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date and the reports of Board of Directors and Auditors thereon.

2. Appointment of the Statutory Auditors of the Company

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 139(8) and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (The Rules), including any statutory modification(s) or re-enactment thereof for the time being in force, V.N. Purohit & Co., Chartered Accountants, (Firm Registration No. 304040E), be and are hereby reappointed as Statutory Auditors of the Company for a term of five consecutive years, to hold the office from the conclusion of this 36th Annual General Meeting until the conclusion of 41st Annual General Meeting to be held in the year 2028 on such remuneration as may be mutually decided by the Board of Directors of the Company and Statutory Auditors based on the recommendation of the Audit Committee.”

SPECIAL BUSINESS

- 3. REGULARIZATION OF THE APPOINTMENT OF MR. DAYANAND RAY (DIN: 07478810) AS A DIRECTOR IN THE CATEGORY OF (EXECUTIVE DIRECTOR- PROFESSIONAL CATEGORY)**

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

“RESOLVED THAT Mr. Dayanand Ray (DIN: 07478810) who was appointed by the Board of Directors as an Additional Director (Executive Director- Professional category) of the Company with effect from June 24, 2023 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (“Act”) , who is eligible for appointment, be and is hereby appointed as Director of the Company, liable to retire by rotation.

FURTHER RESOLVED THAT any Director or any Key Managerial Personnel (KMP) of the Company be and is hereby severally authorized to file the necessary e-forms with the Registrar of Companies and to do all such acts, deeds and things which are necessary to give effect to the above resolution.”

4. PAYMENT OF REMUNERATION TO THE DIRECTOR'S AND KMPs IN THE EVENT OF LOSS OR INADEQUACY OF PROFITS:

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

“**RESOLVED THAT** pursuant to the provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), applicable clauses of the Articles of Association of the Company, recommendation of the Nomination and Remuneration Committee and Audit Committee, approval of the members of the Company be and is hereby accorded for payment of remuneration to the Director's and Key Managerial Personnel's (“KMPs”) including but not limited to the Managing Director/Whole Time Director of the Company as per the provisions mentioned under Section 197 read with Part I and Section I of Part II of Schedule V.

FURTHER RESOLVED THAT in the event of loss or inadequacy of profits in any financial year, the Company will pay remuneration and perquisites to the Directors and KMPs not exceeding the ceiling laid down in Schedule V to the Companies Act, 2013, as may be decided by the Board of Directors upon the recommendation of the Nomination and Remuneration Committee.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised severally to do all such acts, deeds, matters and things as may be considered necessary or desirable to give effect to this resolution and matters incidental thereto.”

By Order of the Board of Directors

For **Elitecon International Limited**

Sd/-

NEHA ANUJ

Company Secretary & Compliance Officer

Place: New Delhi

Date: September 06, 2023

Notes:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 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.** 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. 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. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholders.
3. The Register of Member and Transfer Books will remain closed from the September 24, 2023 to the September 30, 2023 (both days inclusive) for the purpose of Annual General Meeting.
4. Additional information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the Directors seeking appointment/ re-appointment/ regularization at the AGM as per Item No 3 of the aforesaid notice, is furnished as Annexure to the Notice. The Directors have furnished consent/declaration for their appointment/ re-appointment/ regularization as required under the Companies Act, 2013 and the Rules thereunder.
5. 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.
6. In case shares are jointly held, this form should be completed and signed (as per the specimen signature registered with the Company) by the first named member and in his/her absence, by the next named member.
7. Members/Proxies are requested to bring their attendance slips duly filed in along with their copies of Annual Report to the Annual general Meeting.
8. Copy of relevant documents referred to in this notice are open for inspection at the registered office of the Company on all working days between 11.00 A.M to 2.00 P.M, except holidays the date of declaration of the results of e-voting.
9. Any member desirous of getting any information on the accounts of the Company is required to forward his/her queries at least 7 days prior to the meeting so that the required information can be made available at the meeting.
10. Members are requested to intimate change in their address if any immediately to Bigshare Services Private Limited, the Company's Registrar and Share Transfer Agents, at their office at Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai - 400093 Phone: 022-62638200 Email Id: lawoo@bigshareonline.com.
11. Members holding shares in physical form in the same set of names under different folios are requested to apply for consolidation of such folios along with relevant Share Certificates to M/s. Bigshare Services Private Limited, Registrar and Share Transfer Agents of the Company, at their address given above.
12. Pursuant to SEBI Circular, the Shareholders holding shares in physical form are requested to submit self-attested copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.
13. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the

attendance slip for attending the meeting. 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.

14. For members who have not registered their email address, physical copies of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of evoting along with Attendance Slip and Proxy Form is being sent in the permitted mode. Members may also note that Notice of Annual General Meeting and Annual Report for 2022-2023 will be available on Company's website <http://www.eliteconinternational.com/> for their download.
15. Members who have not registered their email addresses so far are requested to register their email address for receiving all communications including annual report, notices, circulars etc. from the company electronically.
16. At present the Company's equity shares are listed on the BSE Limited and The Calcutta Stock Exchange Limited. Members are informed that the scripts of the Company have been activated both in Central Depositories Services Limited (CDSL) and National Securities & Depository Limited (NSDL) and may be dematerialized under the ISIN- INE669R01018. The custodian fees for the current financial year 2022- 2023 have been paid to all the aforesaid Depositories.
17. For any assistance or information about shares etc. members may contact the Company.

18. VOTING THROUGH ELECTRONIC MEANS

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e- Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the 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 paper. The 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.

III. The process and manner for remote e-voting are as under:

- i) The remote e-voting period commences on September 27, 2023 at 9:00 a.m. and ends on September 29, 2023 at 5:00 p.m. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 23, 2023, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
- iii) Click on "Shareholders" tab.
- iv) Now Enter your User ID
For CDSL: 16 digits beneficiary ID,
For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.

- v) Next enter the Image Verification as displayed and Click on Login.
- vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of O's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.</p>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</p>

- viii) After entering these details appropriately, click on "SUBMIT" tab.
- ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi) Click on the EVSN for the relevant Elitecon International Limited on which you choose to vote.
- xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the

Resolution.

- xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
 - xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
 - xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
 - xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
 - xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - xviii) Note for Institutional Shareholders & Custodians :
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or contact them at 1800 200 5533.
 - xx) Shareholders can also cast their vote using CDSL’s mobile app m-voting available for android based mobiles. The m-voting app can be downloaded from Google play store, iPhone, and Windows phone users can download the app from the App store and the Windows phone store respectively on or after September 27, 2023, 9.00 a.m. to September 29, 2023, 5.00p.m. Please follow the instructions as prompted by the mobile app while voting on your mobile.
19. Institutional Members / Bodies Corporate (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. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at cs.goelaakash@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com on or before September 29, 2023, upto 5:00 p.m. without which the vote shall not be treated as valid.
20. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 23, 2023. A person who is not a member as on Cut Off date should treat this notice for information purpose only.

21. The shareholders shall have one vote per equity share held by them as on the cut-off date of September 23, 2023. The facility of e-voting would be provided once for every folio/client id, irrespective of the number of joint holders.
22. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 23, 2023 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
23. Notice of the AGM along with attendance slip, proxy form along with the process, instructions and the manner of conducting e-voting is being sent electronically to all the members whose e-mail IDs are registered with the Company / Depository Participant(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of the same are being sent through the permitted mode.
24. Investors, who became members of the Company subsequent to the dispatch of the Notice / Email and hold the shares as on the cut-off date i.e. September 23, 2023 are requested to send the written/email communication to the Company at admin@eliteconinternational.com by mentioning their Folio No./DP ID and Client ID to obtain the Login-ID and Password for e-voting.
25. Mr. Aakash Goel, Proprietor of G Aakash & Associates, Company Secretaries, (C.P No.21629) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner. The Scrutinizer will submit, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall counter sign the same and declare the result of the voting forthwith.
26. Since e-voting facility is provided to the Members pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, voting by show of hands are not allowed.
27. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
28. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website <http://www.eliteconinternational.com/> and on the website of CDSL. The same will be communicated to the stock exchanges where the company shares are listed viz. BSE Limited and The Calcutta Stock Exchange Limited.

By Order of the Board of Directors

For **Elitecon International Limited**

Sd/-

NEHA ANUJ

Company Secretary & Compliance Officer

Date: September 06, 2023

Place: New Delhi

EXPLANATORY STATEMENT

As required under Section 102 of the Companies Act, 2013 (“Act”), the following explanatory statement sets out all material facts relating to business mentioned under Items of the accompanying Notice:

Item No. 03:

The Board of the Company appointed Mr. Dayanand Ray as Executive Director for the period of the 5 (Five) years w.e.f June 24, 2023. His appointment is subject to the approval of members/shareholders of the Company in the Annual General Meeting to be held on Saturday, September 30TH , 2023, a Special Resolution.

He is a graduate and has experience of 6 years in multiple industries.

The terms and conditions of his appointment are as under:

Period: For the period of 5 years w.e.f. June 24, 2023

Remuneration:

1.Basic Salary: Rs. 55,000 (Rupees Fifty Five Thousand only) per month, with such increment(s) as may be decided by the Nomination and Remuneration Committee from time to time in accordance with the norms of the Company;

2.He shall be entitled to the perquisites, benefits, and allowance as may be decided by Board and / or Nomination and Remuneration Committee from time to time;

3.In addition to the above, he shall be entitled to other benefits as per the norms of the Company;

4.Overall Remuneration: The aggregate salary, together with perquisites, allowance, benefits and amenities payable to Mr. Dayanand Ray in any financial year shall not exceed the limits prescribed from time to time under section 196, 197 of the Act read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) and enactment(s) thereof for the time being in force);

5. Mr. Dayanand Ray shall not be entitled to any sitting fees for attending meetings of the Board or Committees thereof;

6.The perquisites shall be valued in terms of actual expenditure incurred by the Company and shall be evaluated wherever applicable as per Income Tax Act, 1961 or rules made thereunder and any modification thereof. The above may be treated as a written memorandum setting out the terms of appointment of Mr. Dayanand Ray under Section 190 of the Act.

Details of Mr. Dayanand Ray are provided in the “Annexure” to the Notice;

The disclosure pursuant to Clause (iv) of Section II of Schedule V of the Companies Act, 2013, is as under:

(I) General Information	
a) Nature of Industry	The Company is the business of tobacco and allied products.

b) Date or expected date of commencement of commercial production	Not Applicable									
c) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable									
d) Financial performance based on given indicators	<table border="1"> <thead> <tr> <th>Particulars</th> <th>Amount in Rs.</th> </tr> </thead> <tbody> <tr> <td>Income</td> <td>58,33,21,002</td> </tr> <tr> <td>Profit/(Loss) before Tax</td> <td>(78,21,22,291)</td> </tr> <tr> <td>Profit/(Loss) after Tax</td> <td>(78,18,11,193)</td> </tr> </tbody> </table>		Particulars	Amount in Rs.	Income	58,33,21,002	Profit/(Loss) before Tax	(78,21,22,291)	Profit/(Loss) after Tax	(78,18,11,193)
Particulars	Amount in Rs.									
Income	58,33,21,002									
Profit/(Loss) before Tax	(78,21,22,291)									
Profit/(Loss) after Tax	(78,18,11,193)									
e) Foreign investments or collaborations, if any.	Nil									
(II) Information about the appointee:										

a) Background details	Mr. Dayanand Ray is a Graduate and has more than 6 years of experience in the field of multiple industries.
b) Past remuneration	Nil
c) Recognition or awards	Nil
d) Job profile and his suitability	Experience of 6 years in the field of multiple industries .
e) Total Remuneration proposed	Rs. 6,60,000 /- (Rupees Six Lakh Sixty Thousand only) (Per Annum)
f) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration as proposed for Mr. Dayanand Ray, is commensurate with the size of the Company and the nature of its businesses.
g) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Not Applicable
(III) Other information:	
a) Reasons of loss or inadequate profits	The business of the Company was badly affected due to outbreak of the Covid-19 pandemic.
b) Steps taken or proposed to be taken for improvement	The Company is proposing to seek investors to arrange funds for its business and to scale up its operations.
c) Expected increase in productivity and profits in measurable terms	Not Available

The Board recommends the Resolution at Item No. 3 of this Notice for approval of the Members.

Except Mr. Dayanand Ray and his relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, in the Resolution set out at Item No. 3 of this Notice.

Item No. 04:

Due to the volatile nature of the business there may be events wherein the Company may incur losses or may have inadequate profits to pay the remuneration to the Directors and KMPs including but not limited to the Managing Director/Whole Time Director of the Company as per the provisions mentioned under Section 197 read with Part I and Section I of Part II of Schedule V.

Therefore, the Board has recommended that it should take blanket approval from the members of the Company for the payment of the remuneration subject to the recommendation of the Nomination and Remuneration Committee. The Board recommends the Resolution at Item No. 4 of this Notice for approval of the Members.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, in the Resolution as set out at Item No. 4 of this Notice.

Additional Information of Directors seeking appointment or re-appointment at the Annual General Meeting as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015:

Name of Director	Mr. Dayanand Ray
DIN	07478810
Age	38 Years
Date of Appointment	10/6/1985
Nationality	Indian
Designation	Professional Category Executive Director
Qualification	Graduate
Expertise in specific functional areas	Mr. Dayanand Ray is a Graduate with over 6 years of work experience in multiple industries and locations.
Shares held in the Company	Nil
Name of the listed entities in which Director holds Directorships and Membership/Chairmanship of Committees of other Boards along with the listed entities from which the Director has resigned in the past (three) years	Other Directorships: NIL Membership/ Chairmanship of Committees of other Boards - NIL Listed Entities from which the Director has resigned in the past 3 (three) years: NIL
Seeking Appointment/ re-appointment	Appointment
Rotational	Applicable
Relationship between Directors inter- se	N.A.
In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements.	N.A.

By Order of the Board of Directors

For **Elitecon International Limited**

Sd/

NEHA ANUJ

Company Secretary & Compliance Officer

Date: September 06, 2023

Place: New Delhi

ELITECON INTERNATIONAL LIMITED

Regd. Off: 152, Shivani Apartments, Plot No. 63, I.P. Extention, Patparganj, Delhi -110092,

CIN: L16000DL1987PLC396234

Phone:- 91-9871761020

Email Id: admin@eliteconinternational.com Website: www.eliteconinternational.com

(Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company.)

DP Id*		Client Id*	
Regd. Folio No.		No. of Shares	

*Applicable for shares held in electronic form

Name(s) and address of the shareholder / Proxy in full: _____

I/we hereby record my/our presence at the 36th Annual General Meeting of the Company being held on Saturday, the 30th Day of September at 04.00 p.m. at the Registered Office 152, Shivani Apartments, Plot No. 63, I.P. Extention, Patparganj, Delhi -110092

Please (√) in the box

MEMBER

PROXY

Signature of Shareholder / Proxy

ELITECON INTERNATIONAL LIMITED

Regd. Off: 152, Shivani Apartments, Plot No. 63, I.P. Extention, Patparganj, Delhi -110092

CIN: L16000DL1987PLC396234

Phone:- 91-9871761020

Email Id: admin@eliteconinternational.com Website: www.eliteconinternational.com

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: L16000DL1987PLC396234

Name of the Company: Elitecon International Limited

Registered Office: 152, Shivani Apartments, Plot No. 63, I.P. Extention, Patparganj, Delhi -110092

Name of the member(s)	
Registered address:	
E-mail Id:	
Folio No. / Client Id	
DP ID:	

I/We, being the holder(s) ofshares of the above named Company, hereby appoint

1. Name: _____

Address: _____

E-mail Id: _____

Signature: _____ or failing him/her

2. Name: _____

Address: _____

E-mail Id: _____

Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36th Annual General Meeting of the Company, to be held on 30th day of September at 04.00 p.m. at the Registered Office of the Company at 152, Shivani Apartments, Plot No. 63, I.P. Extention, Patparganj, Delhi -110092, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
Ordinary Business:	
1.	To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31 st March, 2023, including the Audited Balance Sheet as at 31 st March, 2023, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date and the reports of Board of Directors and Auditors thereon.
2.	Appointment of the Statutory Auditors of the Company.
Special Business:	
3.	Regularization of the appointment of Mr. Dayanand Ray (DIN: 07478810) as a Director in the category of (Executive Director-Professional Category)
4.	Payment of remuneration to the Directors and KMPs in the event of loss or inadequacy of profits.

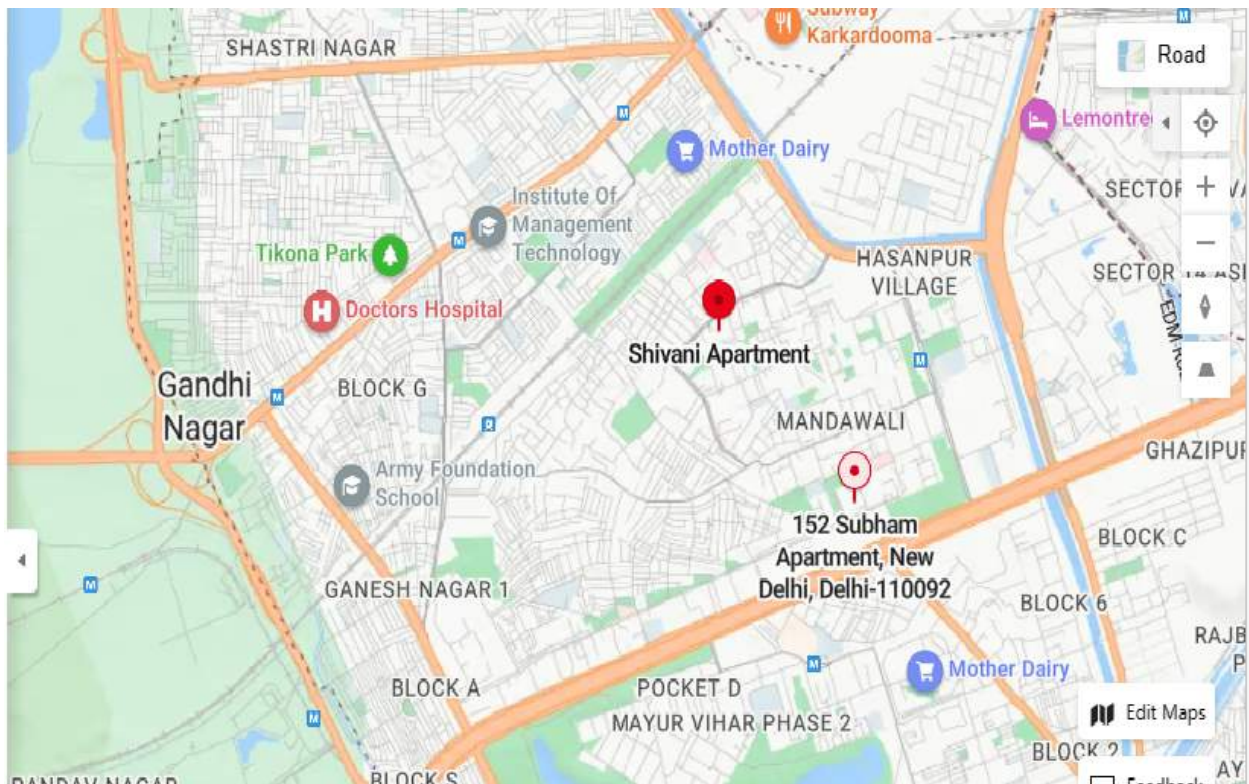
Signed this day of 2023

Affix Revenue Stamp

Signature of shareholder(s) Signature of Proxy holder(s) **Notes:**

1. This form of proxy in order to be effective -should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. Any alteration or correction made to this Proxy form must be initialled by the signatory / signatories.

Route Map for AGM Venue: 152, Shivani Apartments, Plot No.63, I.P. Extension, Patparganj, Delhi-110092



DIRECTORS' REPORT

To

The Members

Your Directors have pleasure in presenting their 36th Annual Report together with the Audited Financial Statements of the Company for the Year ended March 31, 2023.

FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY

The Key highlights of financial results for Elitecon International Limited for the financial year 2022-23 are tabulated below:

(Amount in Rs.)

Particulars	2022-23	202-22
Revenue from Operations	579,639,801	19,30,45,000
Other Income	3,681,201	21,76,000
Total Income	583,321,002	19,52,21,000
Less: Total Expenses	1,365,443,294	18,94,02,000
Profit Before Tax	(782,122,292)	58,19,000
Tax Expenses:		
Current Year Tax	-	13,41,000
Deferred Tax	(311,098)	1,37,000
Net Profit After Tax	(781,811,194)	43,41,000

BRIEF DESCRIPTION OF THE COMPANY'S STATE OF AFFAIRS:

During the year under review the Company had loss of Rs. 78,18,11,194/- (Seventy Eight Crores Eighteen Lakhs Eleven Thousand One Hundred Ninety Four only). As the Company has started a new line of business with new and experienced management, the company is hopeful and optimistic about the increase in

revenue of the company in coming years.

GENERAL RESERVE:

The Company has not transferred any amount to the General Reserve for the Financial Year 2022-23.

DIVIDEND:

As the Company had incurred losses, the Board does not recommend any dividend for the Financial Year 2022-23.

SHARE CAPITAL:

During the year, there was no change in the capital structure of the Company. The paid-up equity share capital as on March 31, 2023 was Rs. 1,21,00,000/- (Rupees One Crore Twenty-One Lakhs Only).

- a) Buy Back of securities: The Company has not bought back its shares /securities during the year under review.
- b) Sweat Equity: No Sweat Equity Shares are issued during the year under review.
- c) Bonus Shares: No Bonus Shares were issued during the year under review.
- d) Employees Stock Option Plan: The Company has not provided any Stock Option

Scheme to the employees.

CHANGES IN THE NATURE OF BUSINESS:

During the Financial Year 2022-23, there had been no change in the nature of the business of the Company.

PUBLIC DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 for the financial year 2022-23.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an adequate Internal Control System, commensurate with the size, scale and complexity of its operations. The scope of work includes review of process for safeguarding the assets of the Company, review of operational efficiency effectiveness of systems and processes, and assessing the internal control strengths in all areas.

Pursuant to Section 138 of the Companies Act, 2013 read with rule 13 of the Companies (Accounts) Rules, 2014, Rajeev Jain the Proprietor of M/s. Jain & Rajeev Associates (Firm Registration Number: 0275217; Membership Number: 097354) was appointed as the Internal Auditor of the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES:

In pursuance of the provision of Section 135 of the Companies Act, 2013, the CSR provisions are not applicable to your Company.

ANNUAL RETURN

Pursuant to Section 92 of the Act and Rule 12 of the Companies (Management and Administration) Rules,

2014, the Annual Return is available on the website of the Company on the following link: <https://eliteconinternational.com/annual-reports/>

FRAUDS REPORTED BY AUDITORS UNDER SECTION 143:

There have been no instances of fraud reported by the Statutory Auditors under Section 143 of the Act read with relevant Rules framed thereunder either to the Company or to the Central Government.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES :

The Company has no subsidiary Company, Joint Ventures or Associate Companies during the year under review.

DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134 (5) of the Companies Act, 2013, the Directors would like to state that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The Directors have prepared the annual accounts on a going concern basis.
- v) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- vi) The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

APPOINTMENT/RESIGNATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year 2022-23 under review there were movements in the Directorships in the Company.

None of the Directors of the Company are disqualified as per the provisions of Section 164 of the Companies Act, 2013.

The details of appointments and resignations of Directors/ KMP during the Financial Year 2022-23 are as follows:-

S.NO.	NAME	DESIGNATION	PARTICULARS	DATE OF EVENT
1.	Mr. Achal Kapoor	Independent Director	Resignation as Independent Director	12.04.2022
2.	Ms. Monam Kapoor	Additional Director (Non-Executive Independent Director)	Appointment as Additional Director (Non-Executive Independent Director)	12.04.2022
3.	Mr. Vipin Sharma	Managing Director and Chief Executive Officer	Regularised as Managing Director	13.06.2022
4.	Mr. Lalit Kumar Gaur	Additional Director (Executive Director)	Regularised as Executive Director and also appointed as a Whole-Time Director	13.06.2022
5.	Mr. Haisangi Ramaprabhu Bheemashankar	Additional Director (Non-Executive Independent Director)	Regularised as as a Non - Executive In dependent Director	13.06.2022
6.	Ms. Monam Kapoor	Additional Director	Regularised as a Non -	13.06.2022

		(Non- Executive Independent Director)	Executive In dependent Director	
7.	Ms. Chetna	Chief Financial Officer	Appointment as Chief Financial Officer	26.05.2022
8.	Mr. Ish Sadana	Additional Director (Non- Executive Independent Director)	Appointment as Additional Director (Non- Executive Independent Director)	27.06.2022
9.	Mr.Haisangi Ramaprabhu Bheemashankar	Non - Executive In dependent Director	Resignation as Non - Executive In dependent Director	27.06.2022
10.	Mr. Vipin Sharma	Managing Director and Chief Executive Officer	Resigned as Chief Executive Officer	06.07.2022
11.	Mr. Upmanyu Pathak	Additional Director (Executive Director)	Appointment as Additional Director (Executive Director) and also appointed as Chief Executive Officer	06.07.2022
12.	Mr. Lalit Kumar Gaur	Executive Director and Whole-Time Director	Resignation as Executive Director and Whole-Time Director	30.07.2022
13.	Ms. Preeti	Non - Executive In dependent Director	Appointment as Non - Executive In dependent Director	05.08.2022
14.	Mr. Ish Sadana	Additional Non- Executive Independent Director	Regularised as a Non - Executive In dependent Director	30.09.2022
15.	Mr. Upmanyu Pathak	Additional Director (Executive Director)	Regularised as executive Director	30.09.2022
16.	Ms. Preeti	Additional Non- Executive Independent Director	Regularised as a Non - Executive In dependent Director	30.09.2022

After the Financial Year end, the following changes took place in board of directors of the Company:-

S.NO.	NAME	DESIGNATION	PARTICULARS	DATE OF EVENT
1.	Mr. Upmanyu Pathak	Executive Director	Resignation as Executive Director	23.06.2023
2.	Mr. Upmanyu Pathak	Chief Executive Officer	Resignation as Chief Executive Officer	23.06.2023
3.	Mr. Dayanand Ray	Additional Executive Director	Appointment as an additional Executive Director (Professional Category)	24.06.2023

NUMBER OF MEETINGS OF THE BOARD:

The Board meets at regular intervals to discuss and decide on Company / business policies and strategies apart from other Board business. During the year under review, Twenty Four (24) Board meetings were held. The intervening gap between the two consecutive meetings was within the period prescribed under the Companies Act, 2013. The notice of Board meeting including detailed agenda is given well in advance to all the Directors prescribed under the Companies Act, 2013.

2022, June 16, 2022, June 27, 2022, July 06, 2022, July 21, 2022, July 27, 2022, August 03, 2022, August 05, 2022, August 22, 2022, September 05, 2022, September 29, 2022, November 14, 2022, November 15, 2022, November 21, 2022, November 29, 2022, December 03, 2022, December 06, 2022, December 26, 2022 and February 14, 2023.

Sr No.	Name of Directors	Designation	No. of Meeting attended
1.	Mr. Vipin Sharma	Non-Executive Director, June 13, 2022 (MD & CEO)- (Resigned as CEO on 06.07.2022)	24
2.	Monam Kapoor	Non-Executive Independent Director	8
3.	Lalit Kumar Gaur	Executive Director and WTD (Resigned-30.07.2022)	11
4.	Mr. Haisangi Ramaprabhu Bheemashankar	Non- Executive Independent Director (Resigned-27.06.2022)	2
5.	Ish Sadana	Non- Executive Independent Director	01
6.	Upmanyu Pathak	Executive Director and CEO (Appointed 06.07.2022)	15
7.	Preeti	Non- Executive Independent Director	04

BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulation, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committee.

The result of the evaluation done by Independent Directors was reported to the Chairman of the Board. It was reported that the performance evaluation of the Board & Committee's was satisfactory. The Chairman of the Board provided feedback to the Directors on an individual basis, as appropriate. The Directors expressed their satisfaction with the evaluation process.

DIRECTORS' REMUNERATION POLICY AND CRITERIA FOR MATTERS UNDER SECTION 178:

The current policy is to have an appropriate mix of Executive, Non-Executive and Independent Directors to maintain the independence of the Board, and separate its functions of governance and management. As of March, 31 2023, the Board had five (5) Directors.

The Policy of the company on directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section

(3) of section 178 of Companies Act, 2013 is in place and maintained by company as per law

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGOINGS:

The provisions of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 with respect to the particulars of conservation of energy, technology absorption etc. are not applicable to the Company.

During the period under review the total amount of foreign exchange earnings was Rs. 29,20,96,000 and total amount of foreign outgo was Nil.

RELATED PARTY TRANSACTIONS:

The details of the transactions with related parties during the Financial Year 2022-23 are provided in the accompanying financial statements. Form AOC-2 pursuant to Section 134 (3) (h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is attached as **Annexure-A**.

MATERIAL CHANGES / COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT:

No significant and material changes have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

CHANGE IN NAME OF COMPANY

No change has happened in the name of the Company in the financial year 2022-23.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

AUDITORS:

The Board of the Company has recommended the reappointment of M/s V.N. Purohit & Co, Chartered Accountants (FRN: 304040E), Chartered Accountants, as Statutory Auditors of the Company to for a term of five consecutive years, to hold the office from the conclusion of this 36th Annual General Meeting until the conclusion of 41st Annual General Meeting to be held in the year 2028, subject to the approval of shareholders.

AUDITOR'S REPORT:

The observation made in the Auditors' Report read together with relevant notes thereon are self-explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013. The Auditors' Report does not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDIT:

The Board had appointed Mr. Aakash Goel, Proprietor of G Aakash & Associates, Company Secretaries
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(Membership No. A57213, CP No.21629), to carry out Secretarial Audit Pursuant to provision of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Secretarial Audit report is annexed herewith as “Annexure B” for the financial year 2022-23.

DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received necessary declaration from each of the Independent Directors, under section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in section 149(6) of the companies Act, 2013.

INDEPENDENT DIRECTOR MEETING:

During F.Y. 2022-23, one (1) meeting of the Independent Directors was held on August 03, 2022. The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors, Board as a whole and Chairman of the Company, taking into account the views of executive directors and nonexecutive directors.

RISK MANAGEMENT:

In today's economic environment, Risk Management plays a very important part of business. The main aim of risk management is to identify, assess, prioritize, monitor and take precautionary measures in respect of the events that may pose risks to the business. The Company is not subject to any specific risk except risks associated with the general business of the Company as applicable to the industry as a whole.

At present the Company has not identified any element of risk which may threaten the existence of the Company.

VIGIL MECHANISM/WHISTLE BLOWER POLICY:

In line with the provisions of the Section 177(9) of the Act and the revised Regulation 22 of the SEBI (LODR) Regulation, the Company has adopted Whistle Blower Policy, as part of vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the fundamental business principles of the Company.

This vigil mechanism provides for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the chairperson of the Audit committee, in exceptional cases. The Company Secretary is the designated officer for effective implementation of the policy and dealing with the complaints registered under the policy.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN:

Your Company is committed to provide and promote a safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. During the year under review, there was no case filed pursuant to the sexual harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

PARTICULARS OF EMPLOYEES:

As required under the provisions of Companies Act, 2013 and Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there are no employee falling under the above category, thus no information is required to be given in the report.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

In terms of the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Management's Discussion and Analysis is presented in a separate section forming part of the Annual Report.

CORPORATE GOVERNANCE:

As per the SEBI Circular No. SEBI/LAD-NRO/GN/2015-16/013 dated 2nd September, 2015, of Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Paid up equity capital as on the last day of previous Financial Year i.e. on 31st March 2023 and Net Worth both were not exceeding the limit as given under the regulation 15 of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015.

Therefore, in terms of the said circular the compliance with the corporate governance provisions as specified in Regulations 17, 18, 19, 20, 21,22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and Para C, D and E of Schedule V are not applicable to our Company during the year 2022-23.

AUDIT COMMITTEE:

The Audit Committee of the Company was reconstituted on 27.06.2022 due to the change in the Directors of the Company and after reconstitution the committee consist of the following members:-

1. Mr. Vipin Sharma
2. Ms. Monam Kapoor
3. Mr. Ish Sadana

The Committee met 6 (Six) times on 07.06.2022, 27.06.2022, 26.07.2022, 05.09.2022, 12.11.2022 and 11.02.2023 during the financial year 2022-23. The minutes of the meetings of the Audit Committee were discussed and taken note by the Board of Directors. The Statutory Auditor, Internal Auditor and Executive Directors/ Chief Financial Officer are invited to the meeting as and when required.

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of the Company was reconstituted on 26.08.2022 due to the change in the Directors of the Company and after reconstitution the committee consist of the following members:-

1. Ms. Monam Kapoor
2. Mr. Ish Sadana
3. Mr. Vipin Sharma

4. Ms. Preeti

The Committee met 3 (Three) times on 12.05.2022, 05.07.2022 and 26.08.2022 during the financial year 2022-23. The minutes of the meetings of the Nomination and Remuneration Committee were discussed and taken note by the Board of Directors.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee of the Company was reconstituted on 27.06.2022 due to the change in the Directors of the Company and after reconstitution the committee consist of the following members:-

1. Ms. Monam Kapoor -Chairman
2. Ish Sadana-member
3. Mr.Vipin Sharma -Member

The Committee met 5 (Five) times on 18.04.2022, 12.07.2022, 27.06.2022, 14.10.2022 and 17.01.2023 during the financial year 2022-23. The minutes of the meetings of the Stakeholders Relationship Committee were discussed and taken note by the Board of Directors.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

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

ACKNOWLEDGEMENTS:

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

By the order of the Board of Directors

Date: September 06, 2023

(VIPIN SHARMA)

(DAYANAND RAY)

Place: New Delhi

Managing Director

Executive Director

Form AOC - 2

(Pursuant to Section 134(3)(h) of the Companies Act, 2013 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 Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under fourth proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NONE

- a. Name(s) of the related party and nature of relationship
 - b. Nature of contracts/arrangements/transactions
 - c. Duration of the contracts/arrangements/transactions
 - d. Salient terms of the contracts or arrangements or transactions including the value, if any N.A.
 - e. Justification for entering into such contracts or arrangements or transactions
 - f. Date(s) of approval by the Board
 - g. Amount paid as advances, if any
 - h. Date on which (a) the requisite resolution was passed in general meeting as required under first proviso to Section 188 of the Companies Act, 2013
-

2. Details of material contracts or arrangement or transactions at arm's length basis: Given in the Financial statements.

- a. Name(s) of the related party and nature of relationship
- b. Nature of contracts/arrangements/transactions
- c. Duration of the contracts/arrangements/transactions
- d. Salient terms of the contracts or arrangements or transactions including the value, if any
- e. Date(s) of approval by the Board, if any
- f. Amount paid as advances, if any

All related party transactions are in the ordinary course of business and on arm's length basis and are approved by Audit Committee of the Company.

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st 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

Elitecon International Limited

152, Shivani Apartments, Plot No.63,

I.P. Extension, Patparganj, New Delhi-110092,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Elitecon International Limited (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct / statutory compliances and expressing my 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 period covered by our audit, that is to say, from April 01, 2022 to March 31, 2023 (hereinafter referred to as 'Audit Period' or 'Period under Review'), 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 the Company till March 31, 2023, according to the provisions of:

- 1.The Companies Act, 2013 (the 'Act') and the Rules made thereunder;
- 2.The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 3.The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; and
- 4.The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder;
- 5.The Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");
- 6.Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- 7.Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

8. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

9. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

10. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018*;

11. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021*;

12. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021*

and circulars/ guidelines issued thereunder;

* no event took place in (*) mark acts/rules/regulations

We have also examined compliance with the applicable clauses of the Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India.

We report that during the Period under Review, the Company has complied with the provisions of the Laws, Rules, Regulations, Guidelines, Standards etc. mentioned above.

The summary of the non-compliances is as under:

S.no	Action taken by	Compliance Requirement (Regulations/ circulars /guidelines including specific clause)	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ Remarks
1.	The Calcutta Stock Exchange Limited	Regulation 14 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015	The Company has not paid Annual Listing fees of The Calcutta Stock Exchange Limited (CSE) from the financial year F.Y 2015-2016 onwards.	The trading in securities has been suspended by CSE w.e.f. April 26, 2021 vide its circular dated April 23, 2021.	The Company has moved an application for voluntary delisting of its securities from CSE on April 09, 2021 and will pay the dues as part of the Delisting Process.
2.	Ministry of Corporate Affairs	Section 73 of Companies Act, 2013 read with Rule 2 of Companies	Delay in filing the Form DPT-3 (Return of Deposits)	Imposition of Additional Fine of Rs. 1200 (Rupees One Thousand Two Hundred Only)	Paid the additional fees along with normal fees.

		(Acceptance of Deposits) Rules, 2014		along with Normal Fee of Rs. 600 (Rupees Six Hundred Only)	
3.	Ministry of Corporate Affairs	Section 117 of Companies Act 2013	Delay in filing of Form MGT-14 (resolution with Registrar of Companies)	Imposition of Additional Fine of Rs. 2400 (Rupees Two Thousand Four Hundred Only) along with Normal Fee of Rs. 600 (Rupees Six Hundred Only)	Paid the additional fees along with normal fees.
4.	Ministry of Corporate Affairs	Section 117 of Companies Act 2013	Delay in filing of Form MGT-14 (resolution with Registrar of Companies)	Imposition of Additional Fine of Rs. 1200 (Rupees One Thousand Two Hundred Only) along with Normal Fee of Rs. 600 (Rupees Six Hundred Only)	Paid the additional fees along with normal fees.
5.	Ministry of Corporate Affairs	Section 161 of Companies Act 2013	Delay in filing of Form DIR-12 for Regularization of Directors	Imposition of Additional Fine of Rs. 1200 (Rupees One Thousand Two Hundred Only) along with Normal Fee of Rs. 600 (Rupees Six Hundred Only)	Paid the additional fees along with normal fees.
6.	Ministry of Corporate Affairs	Section 137 of Companies Act 2013	Delay in filing of Form AOC-4 XBRL (filing of financial statements with the Registrar of Companies)	Imposition of Additional Fine of Rs. 1100 (Rupees One Thousand One Hundred Only) along with Normal Fee of Rs. 600 (Rupees Six Hundred Only)	Paid the additional fees along with normal fees.

7.	Ministry of Corporate Affairs	Section 161 of Companies Act 2013	Delay in filing of Form DIR-12 for Resignation of Director	Imposition of Additional Fine of Rs. 6000 (Rupees Six Thousand Only) along with Normal Fee of Rs. 600 (Rupees Six Hundred Only)	Paid the additional fees along with normal fees.
8.	Stock Exchange (BSE Limited)	Regulation 33 of SEBI (LODR) Regulations, 2015	Non-submission of the financial results within the period prescribed under the regulation. (For quarter ended March 31, 2022)	Imposition of Fine of Rs. 53100 (Rupees Fifty Three Thousand One Hundred Only) for late submission.	Fine was duly paid by the Company.
9.	Stock Exchange (BSE Limited)	Regulation 33 of SEBI (LODR) Regulations, 2015	Non-submission of the financial results within the period prescribed under the regulation. (For quarter ended September 30, 2022)	Imposition of Fine of Rs. 5900 (Rupees Five Thousand Nine Hundred Only) for late submission.	Fine was duly paid by the Company.

The Stock Exchange ("The BSE Limited" "BSE") had imposed a fine of Rs. 5,42,800/- (Rupees Five Lakhs Forty Two Thousand Eight Hundred Only) for the non-compliance under Regulation 38 (Compliance with requirement of Minimum Public Shareholding (MPS)). The Promoter's holding exceeds the maximum permissible non-public shareholding due to the Open Offer made by the Promoters of the Company under Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. The Promoters had initiated the process to reduce their holding through offer for sale to the Qualified Institutional Buyers, but could not be successfully completed as one of the investors was a Corporate Body which makes it ineligible from being classified as a QIB in term of regulation 2(1)(ss) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018. Hence, the Board decided to request the Selling Promoter to make a fresh OFS to QIBs in order to comply with the minimum public shareholding requirement specified under Securities Contracts (Regulation) Rules, 1957, in compliance with Chapter- VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018. The Company has not paid the fine as the Company has reinitiated the Offer for sale to reduce the Promoter's shareholding (the same is duly intimated to BSE Limited).

We further report that:

The Board of Directors of the Company is duly constituted with adequate number of Executive Directors, Non-Executive Directors and Independent Directors.

There were changes in the composition of the Board of Directors during the Period under Review. The changes are as under:

S.NO.	NAME	DESIGNATION	PARTICULARS	DATE OF EVENT
1.	Mr. Achal Kapoor	Independent Director	Resignation as Independent Director	12.04.2022
2.	Ms. Monam Kapoor	Additional Director (Non- Executive Independent Director)	Appointment as Additional Director (Non- Executive Independent Director)	12.04.2022
3.	Mr. Vipin Sharma	Managing Director and Chief Executive Officer	Regularised as Managing Director	13.06.2022
4.	Mr. Lalit Kumar Gaur	Additional Director (Executive Director)	Regularised as Executive Director and also appointed as a Whole-Time Director	13.06.2022
5.	Mr. Haisangi Ramaprabhu Bheemashankar	Additional Director (Non- Executive Independent Director)	Regularised as as a Non - Executive In dependent Director	13.06.2022
6.	Ms. Monam Kapoor	Additional Director (Non- Executive Independent Director)	Regularised as a Non - Executive In dependent Director	13.06.2022
7.	Ms. Chetna	Chief Financial Officer	Appointment as Chief Financial Officer	26.05.2022
8.	Mr. Ish Sadana	Additional Director (Non- Executive Independent Director)	Appointment as Additional Director (Non- Executive Independent Director)	27.06.2022
9.	Mr. Haisangi Ramaprabhu Bheemashankar	Non - Executive In dependent Director	Resignation as Non - Executive In dependent Director	27.06.2022
10.	Mr. Vipin Sharma	Managing Director and Chief Executive Officer	Resigned as Chief Executive Officer	06.07.2022
11.	Mr. Upmanyu Pathak	Additional Director (Executive Director)	Appointment as Additional Director (Executive Director) and also appointed as Chief Executive Officer	06.07.2022
12.	Mr. Lalit Kumar Gaur	Executive Director and also appointed as a Whole-Time Director	Resignation as Executive Director and Whole-Time Director	30.07.2022
13.	Ms. Preeti	Non - Executive In dependent Director	Appointment as Non - Executive In dependent Director	05.08.2022
14.	Mr. Ish Sadana	Additional Non- Executive Independent Director	Regularised as a Non - Executive In dependent Director	30.09.2022
15.	Mr. Upmanyu Pathak	Additional Director (Executive Director)	Regularised as executive Director	30.09.2022
16.	Ms. Preeti	Additional Non- Executive	Regularised as a Non - Executive In dependent	30.09.2022

		Independent Director	Director	
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As represented to us, adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance or on a shorter notice with due approval of the Board, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Dissenting members' views were not required to be captured and recorded as part of the minutes as there was no such instance.

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 the applicable Laws, Rules, Regulations and Guidelines.

We further report that during the Audit Period, the Company has not undertaken any specific events / actions that can have a bearing on the Company's compliance responsibility in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc.

We have relied on information/records produced by the Company during the course of my audit and the reporting is limited to that extent.

Mr. Aakash Goel, Proprietor of G Aakash & Associates, Company Secretaries, (CP No. 21629)

For G Aakash & Associates

Company Secretaries

Aakash Goel

(Prop.)

M. No.: A57213

CP No.: 21629

Peer Review No.: 1685/2022

UDIN: A057213E000929161

Date: September 04, 2023

Place: Panipat

Encl: Annexure 'I' forming an integral part of this Report

To

The Members

Elitecon International Limited

152, SHIVANI APARTMENTS, PLOT NO.63,

I.P. EXTENSION, PATPARGANJ, NEW DELHI-110092

Our report of even date is to be read along with this letter.

1.Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on my audit.

2.We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records.

We believe that the processes and practices we followed provide a reasonable basis for our opinion.

3.Our Audit was based on examination, in physical or electronic form, as feasible under the prevailing circumstances, of books and records maintained by the Company.

4.We have not verified the correctness and appropriateness of financial records and books of account of the Company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though We have relied to a certain extent on the information furnished in such returns.

5.Wherever required, we have obtained Management Representation about the compliance of Laws, Rules and Regulations and happening of events etc.

6.The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations, Standards etc. is the responsibility of management.

7.Our examination was limited to the verification of procedures on test basis.

8.The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For G Aakash & Associates

Company Secretaries

Aakash Goel

(Prop.)

M. No.: A57213

CP No.: 21629

Peer Review No.: 1685/2022

UDIN: A057213E000929161

Date: September 04, 2023

Place: Panipat

ANNEXURE C

Details pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

During the year under review, the Company has not paid remuneration to only one of its Directors. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year 2022-23 is 8.26.

(ii) The % increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

During the year under review, there has been no increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or any Key Managerial Personnel.

(iii) the percentage increase in the median remuneration of employees in the financial year: Nil

(iv) the number of permanent employees on the rolls of company: 37

(v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

During the year under review, the Company has not increased salary of employees and key Managerial personnel.

(vi) Affirmation that the remuneration is as per the remuneration policy of the company:

The Company affirms that during the year under review the remuneration paid to its employees is as per the remuneration policy of the Company.

By the order of the Board of Directors of
Elitecon International Limited

(VIPIN SHARMA)
Managing Director

(Dayanand Ray)
Executive Director

Place: New Delhi

Date: September 06, 2023

ANNEXURE III

Management Discussion & Analysis

Global Economic Overview

Global growth is projected to fall from an estimated 3.5 percent in 2022 to 3.0 percent in both 2023 and 2024. While the forecast for 2023 is modestly higher than predicted in the April 2023 World Economic Outlook (WEO), it remains weak by historical standards. The rise in central bank policy rates to fight inflation continues to weigh on economic activity. Global headline inflation is expected to fall from 8.7 percent in 2022 to 6.8 percent in 2023 and 5.2 percent in 2024. Underlying (core) inflation is projected to decline more gradually, and forecasts for inflation in 2024 have been revised upward.

Source: <https://www.imf.org/en/Publications/WEO/Issues/2023/07/10/world-economic-outlook-update-july-2023>

Global Growth Outlook Projections (in %)

Country/Group	2022	2023	2024 (Projected)
World Output	3.50	3.00	3.00
Advanced Economies	2.70	1.50	1.40
United States	2.10	1.80	1.00
Euro Area	3.50	0.90	1.50
Japan	1.00	1.40	1.00
United Kingdom	4.10	0.40	1.00
Canada	3.40	1.70	1.40
Other Advanced Economies	2.70	2.00	2.30
Emerging Markets and Developing Economies	4.00	4.00	4.10
Emerging and Developing Asia	4.50	5.30	5.00
China	3.00	5.20	4.50
India*	7.20	6.10	6.30
ASEAN-5	3.40	4.60	4.80
Emerging and Developing Europe	0.80	1.80	2.20
Russia	-2.10	1.50	1.30
Latin America and the Caribbean	3.90	1.90	2.20
Middle East and Central Asia	5.40	2.50	3.20
Sub-Saharan Africa	3.90	3.50	4.10
Emerging Market and Middle-Income Economies	3.90	3.90	3.90

*For India, data and forecasts are presented on a fiscal year basis with FY 2022/23 starting in April 2022. For the April 2023 WEO, India's growth projections are 6.6% in 2022 and 5.8% in 2024 based on calendar year.

Source: IMF, World Economic Outlook, April 2023.

<https://www.imf.org/en/Publications/WEO/Issues/2023/07/10/world-economic-outlook-update-july-2023>

Advanced Economies Group

For *advanced economies*, the growth slowdown projected for 2023 remains significant: from 2.7 percent in 2022 to 1.5 percent in 2023, with a 0.2 percentage point upward revision from the April 2023 WEO. About 93 percent of advanced economies are projected to have lower growth in 2023, and growth in 2024 among this group of economies is projected to remain at 1.4 percent.

In the *United States*, growth is projected to slow from 2.1 percent in 2022 to 1.8 percent in 2023, and then slow further to 1.0 percent in 2024. For 2023, the forecast has been revised upward by 0.2 percentage point, on account of resilient consumption growth in the first quarter, a reflection of a still-tight labor market that has supported gains in real income and a rebound in vehicle purchases. However, this consumption growth momentum is not expected to last: Consumers have largely depleted excess savings accumulated during the pandemic, and the Federal Reserve is expected to raise rates further.

The recent resolution of the US debt ceiling standoff and, earlier this year, strong action by authorities to contain turbulence in US and Swiss banking, reduced the immediate risks of financial sector turmoil. This moderated adverse risks to the outlook. However, the balance of risks to global growth remains tilted to the downside. Inflation could remain high and even rise if further shocks occur, including those from an intensification of the war in Ukraine and extreme weather-related events, triggering more restrictive monetary policy. Financial sector turbulence could resume as markets adjust to further policy tightening by central banks. China's recovery could slow, in part as a result of unresolved real estate problems, with negative cross-border spillovers. Sovereign debt distress could spread to a wider group of economies. On the upside, inflation could fall faster than expected, reducing the need for tight monetary policy, and domestic demand could again prove more resilient.

Emerging Market and Developing Economies Group

Growth in emerging and developing Europe is projected to rise to 1.8 percent in 2023, reflecting a 0.6 percentage point upward revision since April, and to rise further to 2.2 percent in 2024. The forecast for Russia in 2023 has been revised upward by 0.8 percentage point to 1.5 percent, reflecting hard data (on retail trade, construction, and industrial production) that point to a strong first half of the year, with a large fiscal stimulus driving that strength.

Growth in *emerging and developing Asia* is on track to rise to 5.3 percent in 2023, then to moderate to 5.0 percent in 2024, reflecting a modest (0.1 percentage point) downward revision for 2024. The forecast for *China* is unchanged at 5.2 percent for 2023 and 4.5 percent for 2024, but with a change in composition: Consumption growth has evolved broadly in line with April 2023 WEO projections, but investment has underperformed due to the ongoing real estate downturn in that country. Stronger-than-expected net exports have offset some of the investment weakness, although their contribution is declining as the global economy slows.

Growth in India is projected at 6.1 percent in 2023, a 0.2 percentage point upward revision compared with the April projection, reflecting momentum from stronger-than-expected growth in the fourth quarter of 2022 as a result of stronger domestic investment.

Growth in the Middle East and Central Asia is projected to decline from 5.4 percent in 2022 to 2.5 percent in 2023, with a downward revision of 0.4 percentage point, mainly attributable to a steeper-than-expected growth slowdown in *Saudi Arabia*, from 8.7 percent in 2022 to 1.9 percent in 2023, a negative revision of 1.2 percentage points. The downgrade for Saudi Arabia for 2023 reflects production cuts announced in April and June in line with an agreement through OPEC+ (the Organization of the Petroleum Exporting Countries, including Russia and other non-OPEC oil exporters), whereas private investment, including from “giga-project” implementation, continues to support strong non-oil GDP growth.

In sub-Saharan Africa, growth is projected to decline to 3.5 percent in 2023 before picking up to 4.1 percent in 2024. Growth in *Nigeria* in 2023 and 2024 is projected to gradually decline, in line with April projections, reflecting security issues in the oil sector. In *South Africa*, growth is expected to decline to 0.3 percent in 2023, with the decline reflecting power shortages, although the forecast has been revised upward by 0.2 percentage point since the April 2023 WEO, on account of resilience in services activity in the first quarter.

Source: World Economic outlook update 2023

Forces shaping the near-term global outlook

The global recovery from the COVID-19 pandemic and Russia’s invasion of Ukraine is slowing amid widening divergences among economic sectors and regions.

The World Health Organization (WHO) announced in May that it no longer considers COVID-19 to be a “global health emergency.” Supply chains have largely recovered, and shipping costs and suppliers’ delivery times are back to pre-pandemic levels. But forces that hindered growth in 2022 persist. Inflation remains high and continues to erode household purchasing power. Policy tightening by central banks in response to inflation has raised the cost of borrowing, constraining economic activity. Immediate concerns about the health of the banking sector have subsided, but high interest rates are filtering through the financial system, and banks in advanced economies have significantly tightened lending standards, curtailing the supply of credit. The impact of higher interest rates extends to public finances, especially in poorer countries grappling with elevated debt costs, constraining room for priority investments. As a result, output losses compared with pre-pandemic forecasts remain large, especially for the world’s poorest nations.

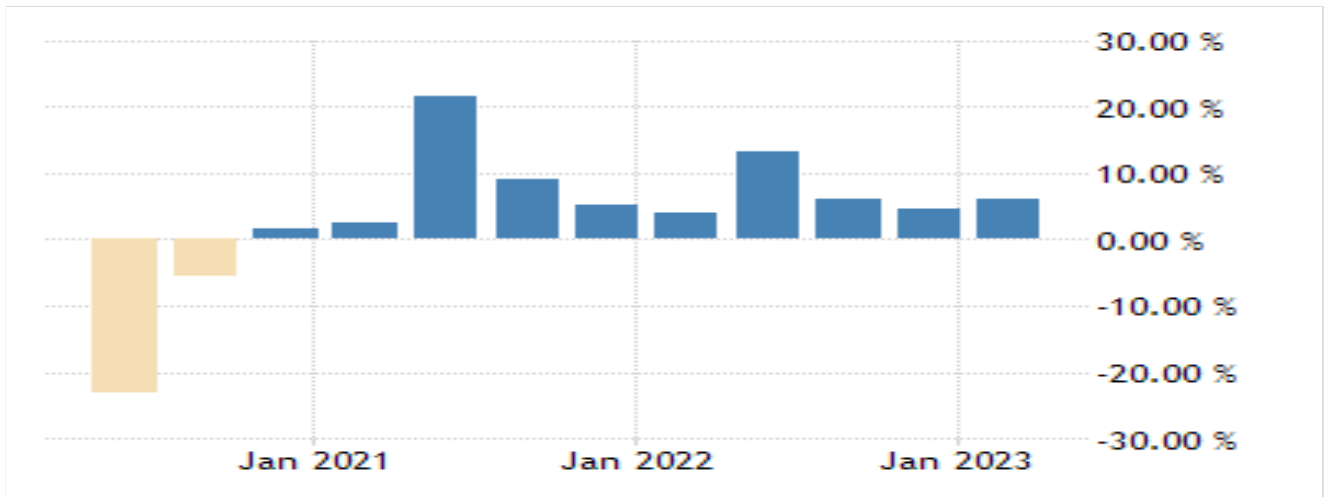
Despite these headwinds, global economic activity was resilient in the first

quarter of 2023, with that resilience driven mainly by the services sector. The post-pandemic rotation of consumption back toward services is approaching completion in advanced economies (including in tourism-dependent economies of southern Europe), and it accelerated in a number of emerging market and developing economies in the first quarter . However, as mobility returns to pre-pandemic levels, the scope for further acceleration appears more limited.

At the same time, non services sectors, including manufacturing, have shown weakness, and high-frequency indicators for the second quarter point to a broader slowdown in activity. Amid softening consumption of goods, heightened uncertainties regarding the future geoeconomic landscape, weak productivity growth, and a more challenging financial environment, firms have scaled back investment in productive capacity.

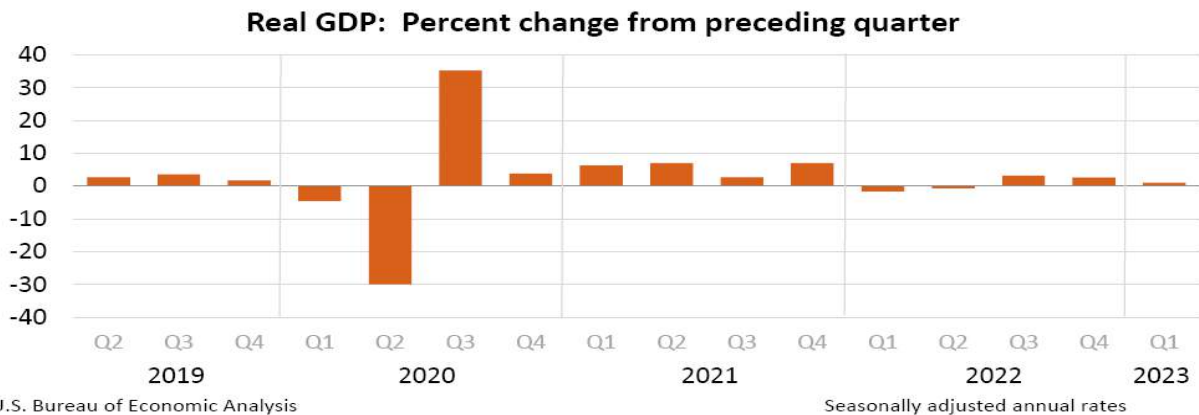
The fight against inflation continues. Inflation is easing in most countries but remains high, with divergences across economies and inflation measures. Following the buildup of gas inventories in Europe and weaker-than-expected demand in China, energy and food prices have dropped substantially from their 2022 peaks, although food prices remain elevated. Together with the normalization of supply chains, these developments have contributed to a rapid decline in headline inflation in most countries. Core inflation, however, has on average declined more gradually and remains well above most central banks' targets. Its persistence reflects, depending on the particular economy considered, pass-through of past shocks to headline inflation into core inflation, corporate profits remaining high, and tight labor markets with strong wage growth, especially in the context of weak productivity growth that lifts unit labor costs. However, to date, wage-price spirals—wherein prices and wages accelerate together for a sustained period—do not appear to have taken hold in the average advanced economy, and longer-term inflation expectations remain anchored. In response to the persistence of core inflation, major central banks have communicated that they will need to tighten monetary policy further. The Federal Reserve paused rate hikes at its June meeting but signaled further ones ahead, and the Reserve Bank of Australia, Bank of Canada, Bank of England, and European Central Bank have continued to raise rates. At the same time, in some other economies, particularly in East Asia, where mobility curbs during the pandemic restricted demand for services longer than elsewhere, core inflation has remained low. In China, where inflation is well below target, the central bank recently cut policy interest rates. The Bank of Japan has kept interest rates near zero under the quantitative and qualitative monetary easing with yield curve control policy.

Sequential growth in GDP at constant prices (in %)



Source: MOSPI

India’s economy grew by 8.5% year-on-year in Q2 of FY 22. On a sequential basis (quarter-on-quarter basis), domestic economic output expanded by 10.4%. Earlier in June, Fitch Ratings raised its FY24 (2023-24) growth forecast for the Indian economy to 6.3%, from 6% predicted earlier, citing strong growth in the April-June quarter so far and sustained near-term momentum. Meanwhile, the Reserve Bank of India (RBI) has projected FY24 Indian economic growth at 6.5%. “Growth in India is projected at 6.1% in 2023, a 0.2 percentage point upward revision compared with the April projection, reflecting momentum from stronger-than-expected growth in the fourth quarter of 2022 as a result of stronger domestic investment,” IMF said in a report.



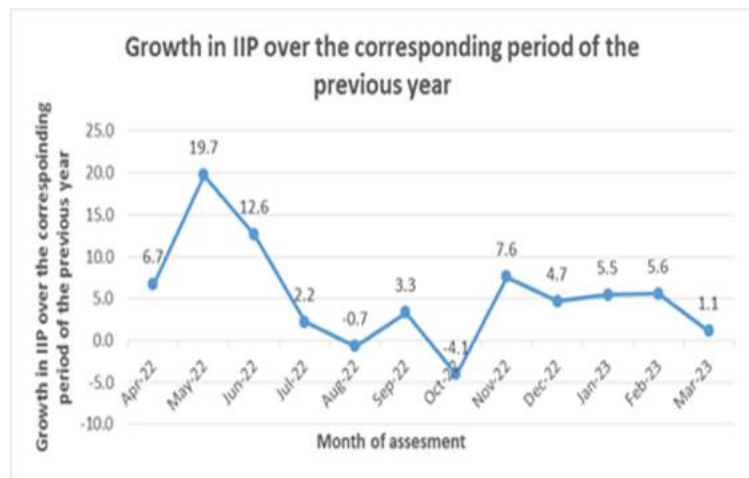
Source: <https://www.livemint.com/>

Despite the three shocks of COVID-19, Russian-Ukraine conflict and the Central Banks across economies led by Federal Reserve responding with synchronised policy rate hikes to curb inflation, leading to appreciation of US Dollar and the widening of the Current Account Deficits (CAD) in net importing economies, agencies worldwide continue to project India as the fastest-growing major economy at 6.5-7.0 per cent in FY23. Manufacturing and investment activities consequently gained traction. By the time the growth of exports moderated, the rebound in domestic consumption had sufficiently matured to take forward the growth of India's economy. Private Consumption as a percentage of GDP stood at 58.4 per cent in Q2 of FY23, the highest among the second quarters of all the years since 2013-14, supported by a rebound in contact-intensive services such as trade, hotel and transport, which registered sequential growth of 16 per cent in real terms in Q2 of FY23 compared to the previous quarter..

Given the uncertainties surrounding the size of the economic recovery, the RBI is projected to maintain its growth emphasis and maintain its accommodating monetary policy stance even as it moves toward gradual support normalization.

Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=1894932>

Industrial Growth



The index of industrial production in India grew by 5.2% in May 2023 from 4.2% measured in April 2023, according to data released by the Ministry of Statistics and Programme Implementation on Wednesday. In May 2022, the factory output, measured by the Index of Industrial Production (IIP) was at all time high-growth of 19.6%.

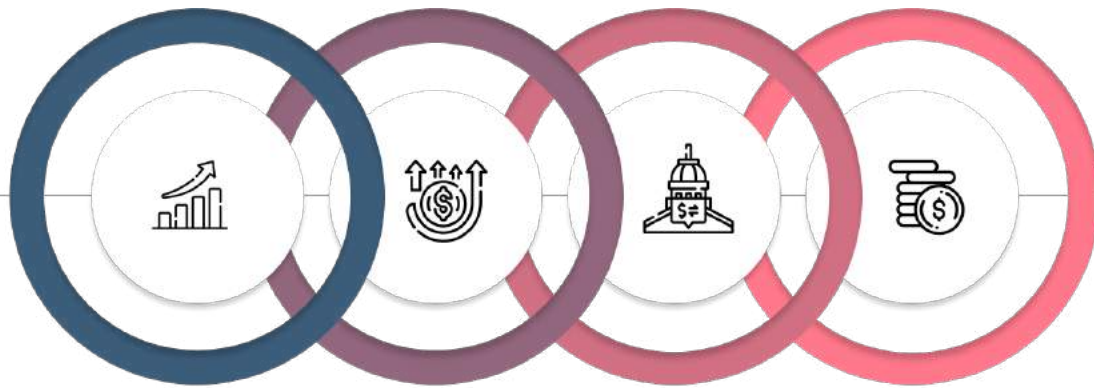
According to data from the National Statistical Office (NSO), the manufacturing sector, which contributes to more than three-fourths of the IIP, witnessed a growth of 5.7% in May up from 4.9% in April 2023.

Source: MOSPI

Consumer Price Inflation

The Consumer Price Index measures the retail inflation the economy by collecting data on change in prices of most common goods and services used by consumers. India's consumer price index (CPI) inflation rises for the first time in five months to 4.81% in June 2023. Also, the rise in inflation is higher than the street's expectations of 4.58%, nevertheless, the CPI print is still below RBI's upper tolerance limit of 6%. As per the Ministry of Statistics & Programme Implementation, CPI inflation stood at 180.9 in June 2023, versus 178.2 in May month and 172.6 in the same month a year ago.

Economic Challenges and Policy Priorities



Growth

Implement reforms and privatization, support education and employment, liberalize investment

Source: IMF

Inflation

Manage inflation pressures while supporting the recovery

Fiscal

Support the recovery while communicating plans for future fiscal consolidation

Financial

Allow bankruptcies of non-viable firms, build capital buffers, recognize problem loans

Road Ahead

India is focusing on renewable sources to generate energy. It is planning to achieve 40% of its energy from non-fossil sources by 2030, which is currently 30% and have plans to increase its renewable energy capacity from 175 gigawatt (GW) by 2022. In line with this, in May 2021, India, along with the UK, jointly launched a 'Roadmap 2030' to collaborate and combat climate change by 2030.

India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behavior and expenditure pattern, according to a Boston Consulting Group (BCG) report. It is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by 2040 as per a report by PricewaterhouseCoopers.

India's broad variety of fiscal, monetary, and health measures to the crisis aided its recovery and, together with economic reforms, are assisting in mitigating the crisis's longer-term negative effects. Because of increased food and fuel prices, as well as negative terms of trade, inflation is predicted to soar in the next quarters of FY 2022-23. The RBI will most likely lean toward price stability and, as a result, boost policy rates. The next few months will be crucial for India's economy as the government and the Reserve Bank of India try to balance the pressures on inflation, currency, external accounts, and the budget deficit. The good news is that India has been through the pandemic for over two years and has emerged stronger.

Source: IBEF

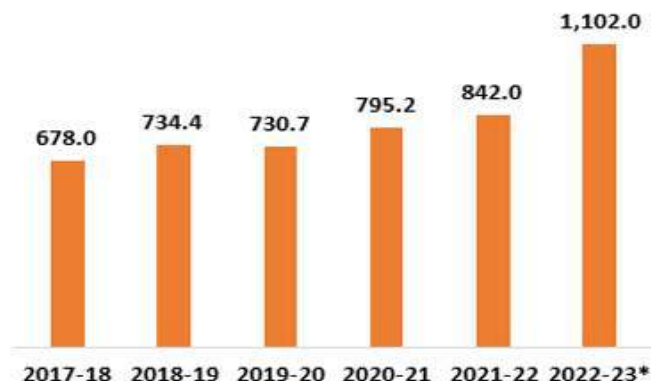
Indian Tobacco Industry



Introduction

India is the second largest tobacco producer behind China. The country has around 0.45 million hectares of area under tobacco cultivation. About 10% of the total area under tobacco cultivation is in India. Globally, it accounts for 9% of the total tobacco production. The average production for the last 5 years of the country for tobacco crops was around 800 million kg. The country produces various types of tobacco: Flue-cured Virginia tobacco, Country tobacco, Burley tobacco, Bidi tobacco, Rustica tobacco, Hookah, Cigar rapped, Cheroot, Burley, Oriental, Chewing tobacco, etc.

India Tobacco Exports (million US\$)



Source: Ministry of Commerce and Industry, Tobacco Board, Government of India;
*April to February 2023

The tobacco industry of India employs about 36 million people in farming, labour activities, manufacturing, processing and export activities. Compared with other tobacco manufacturing countries, India has low production, farming and export cost, making it a popular industry. The Indian manufactured tobacco has an edge over the other tobacco producing countries in terms of lower levels of heavy metals, Tobacco Specific Nitrosamines (TSNAs) and pesticide residues.

India's major tobacco manufacturing states are Gujarat, Andhra Pradesh, Uttar Pradesh, Karnataka, West Bengal, Telangana and Bihar. Out of these Gujarat, Andhra Pradesh and Uttar Pradesh account for around 45%, 20% and 15% of the country's total production respectively. Karnataka accounts for around 8% and rest of the state's account for about 2-3% of the country's total tobacco production.

Tobacco Export Trend

India is the 2nd largest exporter of tobacco behind Brazil. It exports various types of tobacco and tobacco products such as stripped, wholly stemmed, cigar cheroots, smoking tobacco, homogenized, flue-cured, sun-cured, extract and essence, FCV tobacco, unmanufactured tobacco and various tobacco products.

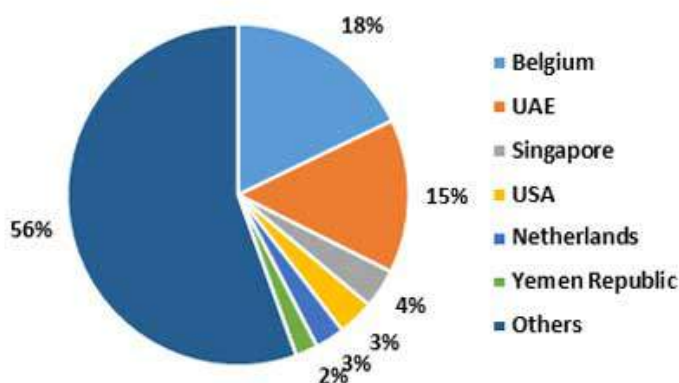
During 2022-23 (till August), India exported 68,550 tonnes of FCV tobacco. The quantity of total exports in August 2022 was 15,224 tonnes (valued at US\$ 56.21 million), a 192.2% increase from the same period in the previous year. The value of the total FCV tobacco exports during 2021-22 was US\$ 359 million (Rs. 2,858 crore). In the same year, the country exported 27,742 tonnes. The exports of unmanufactured tobacco during 2022-23 (till August) were 65,682 tonnes. During April 2022 and May 2022, the exports of unmanufactured tobacco increased by 51% and 14%, respectively, over the same period in the previous year. The value of the total exports during the same period was US\$ 515 million (Rs. 4,102 crore). During the year 2021-22, India exported tobacco and tobacco products worth a total of US\$ 923.80 million. In September 2022, the export of

tobacco from India was US\$ 125.24 million, a 72% rise from September 2021. While the export of tobacco from India in February 2023 stood at US\$ 71.47 million from US\$ 71.68 million in February 2022 which shows a negative change of 0.29%.

Major Market

India is the only country which produces tobacco in two seasons. It exports to more than 115 countries throughout the world. The country exports tobacco mainly to Belgium, the Philippines, Egypt, Arab Rep., Germany, Nepal, the USA, Turkey, and many more countries worldwide. Out of these countries, Belgium is the biggest

Country-wise share of tobacco exports from India (2021-22)



Source: RBI Handbook of Statistics

importer of tobacco at around 17% of the total exports from India. Egypt, Arab Rep. and the Philippines are one of the largest tobacco export destinations for India importing around 13% and 12% of the total. The country also exports to Indonesia, France, UAE, Russia, Korea, Sri Lanka, Malaysia, Venezuela, Ethiopia and Nigeria. During 2021-22, India exported US\$ 164.8 million worth of tobacco to Belgium. This was an increase of 7% from 2020-21. UAE is among the top importers of tobacco from India, with 2021-22 imports valued at US\$ 134.6 million. The value of exports to Singapore and the US during the same period was US\$ 34.3 million and US\$ 31.7 million, respectively. Some of India's other tobacco export destinations, i.e. Netherlands and Germany, imported US\$ 25.7 million and US\$ 15.2 million worth of tobacco from India during 2021-22, respectively. In 2022, the government of India approved the extension of the Interest Equalization Scheme (IES) till 2024. The rates for IES have been revised as 3% for MSMEs (tobacco products have MSME registration) and 2% for manufacturers and merchant exporters.

Government Bodies

Tobacco Board

The Tobacco Board was formed in 1976 and is headquartered in Andhra Pradesh.

The board is a facilitator to the tobacco growers, traders and exporters. The functions of the board are the promotion of all categories of tobacco and allied products, overseeing the production and distribution of the products for domestic as well as exports and regulating the Flue-cured Virginia (FCV) tobacco. Some of the other roles of the Tobacco board are advising the central government, propagating information, sponsoring and encouraging scientific and technological research related to tobacco promotion.

Government Initiatives

Duty Draw Back Scheme

The goal of the scheme is to cut the duty and tax chargeable on imported products that will be used to manufacture exported goods from India. Under this scheme, the unmanufactured tobacco, cigars, cheroots, cigarettes, manufactured tobacco, products containing tobacco, reconstituted tobacco, nicotine, tobacco substitutes, etc. will receive a 0.15% drawback rate.

Interest Equalization Scheme (IES)

The scheme originally came into effect in 2015 and has received an extension till 2024. The interest equalization will be provided pre and post shipment Rupee export credit. As per the extension, the rates for IES will be 3% for MSMEs, 2% for manufacturers and merchant exporters of 410 tariff specified lines.

Tobacco Growers Welfare Scheme

The scheme is aimed at welfare of the FCV tobacco growers and their dependent families. A Tobacco Board's Growers' Welfare Fund has been approved by the Ministry of Commerce and Industry of India under this scheme. The total corpus approved is Rs. 25 crores (US\$ 3.14 million).

Source: <https://www.ibef.org/exports/tobacco-industry-india>

Company Overview

Elitecon International Limited (hereinafter referred as to as "EIL" or "Elitecon") was established in the year 1987. Erstwhile it was known as Kashiram Jain And Company Limited. Elitecon is listed on Bombay Stock Exchange (BSE) and the Calcutta Stock Exchange (CSE).

Since 2021, it has been currently producing and trading cigarettes, smoking mixture, sheesha, and other related tobacco industry products on both domestic and international markets. Elitecon currently conducts business in the UAE, Singapore, Hong Kong, and other countries in Europe, including the UK, and it has additional goals for products including chewing tobacco, snuff grinders, match lights, matches, match boxes, pipes, and other items.

Elitecon has introduced brands like INHALE in the cigarette sector and Al Noor in the sheesha category. In the next month of 2022, the production plant is

especially planned to grow. The company's human resource strength is currently 100, but by the end of the fiscal year, that strength is expected to reach about 500.

EIL has made investments in modern machinery to support the automation of its facility. Our ability to provide a seamless and effective production flow is made possible by their cutting-edge characteristics. On a regular basis, these machines go through extensive upgrades to determine whether all of its parts are in efficient working state. The ability to store the majority of the items in the most effective way possible in a large warehouse provides us an advantage over our rivals and allows us to satisfy various market demands.

The manufacturing procedure is clearly defined and was created by highly skilled professionals while taking into consideration the delicate balance that must be achieved to produce wide and varied flavor's with various types of tobacco mix. To suit contemporary and international demands for tobacco products, our company's research and development department is continually working to create new product lines. We have the capabilities to manufacture any kind of tobacco product in accordance with this specification and requirements of the customer.

Financial Performance & Analysis

Particulars	(Rs. In Lakhs)	
	For the year ended 31-03-2022	For the year ended 31-03-2023
Revenue from operations	1,930.45	5796.40
Other Income	21.76	36.81
Total Revenue	1,952.21	5833.21
Earnings before interest, taxes depreciation and amortization	173.94	(7545.05)
Earnings before interest and taxes	84.59	(7784.90)
Profit before Taxation	58.19	(7821.22)
- Current Tax	13.41	
- Deferred Tax	1.37	(3.11)
Net Profit/ (Loss) For the Year	43.41	(7818.11)

Following are important ratios showing better performance in FY 2023:

Particulars	Units	FY 2021	FY 2022	FY 2023
Profitability Ratios				
EBITDA Margin	%	-41.77%	8.91%	-130.80
EBIT Margin	%	-41.77%	4.33%	-134.94%

Net Profit Margin	%	-41.77%	2.22%	-134.93%
Growth Ratios				
Net worth	%	-1.28%	26.92%	-1964.94%
Return Ratios				
Return on Equity	%	-1.30%	10.91%	105.36%
Return on Capital Employed	%	-1.17%	2.64%	893.49%
Return on Assets	%	-1.11%	0.51%	-90.65% -90.65%
Leverage Ratios				
Debt to Equity	Times	0.11	7.00	-883
Debt to EBITDA	Times	-8.24	15.96	(0.87)
Interest Coverage	Times	0.00	3.20	(214.34)
Debt to Assets	Times	0.09	0.33	0.75
Efficiency Ratios				
Asset Turnover	Times	0.03	0.44	0.68
Receivable Turnover	Times	1.24	31.69	10.15
Receivable Days	Days	294	12	68

Revenue from Operation: The Revenue rose from Rs.1930.45 in the financial year 2021-2022 to Rs 5796.40 lakhs in the financial year 2022-2023 and the company was able to generate more revenue than its average revenue in last 4 years. In last 3 years company has provided with growth of 703% CAGR. The growth in revenue can be attributed to the change in market scenario, opening up of the economy and trade resumptions post COVID-19 lockdown in 2020-21.

Other Income: Other income for the financial year 2022-2023 increased by 69% at Rs. 36.81lakhs as compared to Rs. 21.76 lakhs in the previous year due to exchange fluctuations gains & other non-operating income.

Operating Cost and EBITDA: The EBITDA before exceptional items decreased to Rs-7545.05 lakhs for the financial year 2022-2023 as compared to Rs. 173.94 lakhs for the financial year 2021-2022. This was mainly due to increase in Cost of

goods sold. On the other hand, the EBITDA Margin slightly declined from 8.91% for the financial year 2021-22 to (129.35) for the financial year 2022-23. The operating cost increased from Rs. 1778.27 lakhs for the financial year 2021-22 to Rs.13378.25 Lakhs for the financial year 2022-23.

Debt and Finance cost: There has been increase in total debt which includes long term & short term from Rs. 2776 for the financial year 2021-22 to Rs.6491.84 for the financial year 2022-23. Thus, finance cost for the financial year 2022-23 at Rs 36.32 lakhs in comparison to 26.40 for the previous year.

Profit after Tax: Profit after Tax (PAT) at Rs (7818.11) lakhs for the financial year 2022-23 decreased by -18110.14% as compared to Rs. 43.41 lakhs in the previous year majorly due to cost of materials consumed

Growth Ratios: The Networth has dropped by -1964.94 for the financial year 2022-23 from 26.92 for the financial year 2021-22 mainly due to huge growth in cogs and mainly due to following reasons discussed above.

Leverage Ratios: Leverage ratio provides an indication of how the company's assets and business operations are financed (using debt or equity). Looking at the leverage ratios it could be concluded that the company has increased its debt leverage but at the same time it has sufficient interest coverage and have been able to generate enough profits to meet its interest expenses. Hence, performed well on solvency front.

Efficiency Ratios: Efficiency ratio is used to evaluate how effectively a company manages its assets and liabilities. The company has been performing well in terms of industry parameters.

Liquidity: Cash balances decreased to Rs. 19.92 Lakhs in the financial year 2022-23 as compared to Rs. 72.21 Lakhs in the previous year.

(Rs. In Lakhs)

Particulars	For the year ended 31-03-2022	For the year ended 31-03-2023
Net Cash Generated from Operating Activities(A)	-2455.05	-2888.06
Net Cash used in Investing Activities (B)	-219.18	-804.35
Net Cash Generated from Financing Activities (C)	2744.46	3640.12
Net increase/decrease in cash (D=A+B+C)	70.22	-52.29
Cash and Cash Equivalents at the beginning (E)	1.99	72.21
Cash and Cash Equivalents at the end (F=D+E)	72.21	19.92

*Particulars mentioned above are in line with year ended 31st March, 2023

Risk Management

The Company is exposed to specific risks that are particular to its business and environment within which it operates, including Foreign Exchange Risk, Interest Rate Risk, Commodity Price Risk, Risk of Product Concentration and other Business Risk. While risk is an inherent aspect of any business, the Company is conscious of the need to have an effective monitoring mechanism and has put in place appropriate measure for its mitigation including business portfolio risk, financial risk and legal risk and internal process risk.

The list of the potential risks the industry is exposed to domestically/internationally are given below:

Business Operational Risk: The business operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events like economic and market conditions, cut throat competitions at local as well as at international level, even events which are not directly connected with the organization like natural disasters, political and military turmoil etc. It can be minimized by decreasing labor turnover, power cost, logistics, balancing demand & supply risks, implementing latest technologies, Un-interrupted availability of raw material at competitive prices so as to avoid production loss, maintenance of quality and harmonizing production for completing the orders in time as well. Fluctuations of prices in international market which can impact the price / cost of a particular product(s) and its blend(s) is also a part of business operational risk.

Raw material risk: There is always a risk of inadequate or non-availability of raw materials in the market due to volatility in the prices of cotton, transportation cost etc. which could impede business profits and prospects.

Supplier Risk: We rely heavily on third parties to source our raw materials. Our primary raw materials come from third-party suppliers, and while we won't have any trouble finding new ones if we do, there is no assurance that our current or potential suppliers, as well as our on-the-job personnel, will continue to provide us with the necessary volume of raw materials and services.

Manufacturing Risk: Our manufacturing facility has operational risks such as machinery unavailability, breakdown, obsolescence, or failure, disruption in power supplies or processes, performance below projected levels of efficiency, and labour disputes. Our machines have finite lifespan as well as annual over hauled maintenance. We have signed into technical support service agreements to ensure the proper operation and maintenance of our equipment and machinery.

Quality Risk: Our products are influenced by consumer expectations, customer preferences and trends. Failure to maintain our product quality standards may have an impact on our business. Even though we have strict quality control methods in place, we have deployed lab testers to ensure that our products will

always meet our clients' quality standards.

Foreign Exchange / Currency risk: We are certainly vulnerable to foreign currency exchange rates, which could have a major unfavourable effect on our operating results and financial situation. Our company has recently expanded into international markets and now sells products both domestically and internationally. Exporting our goods allows us to acquire foreign exchange gains and outgo in terms of FOB value. The exchange rate between the Rupee and other currencies fluctuates and may continue risk in our revenue. Any adverse or unexpected swing in the exchange rate of any foreign currency to Indian Rupees for businesses in order to correctly hedge their positions with international institutions may have an impact on our Company's results of operations.

Competition Risk: We confront competition in our industry from both organised and unorganised companies, which could have a negative impact on our business operations and financial situation. We largely compete based on quality, client happiness, and marketing. We think that to compete effectively, we must preserve our reputation, be flexible and timely in responding to quickly changing market demands and consumer preferences and provide customers with a diverse range of textiles at competitive rates.

Political Risk: Political risk may be defined as the probability that a political event will impact adversely on a firm's profit. It represents the financial risk that a country's government will suddenly change its policies.

Technological risk: Technology can response corporate culture and facilitate innovative procedures. In this industry, the firm is constantly required to make changes and transformations in the production process over time, upgrade their machinery besides creating new facilities and additional capacities in order to survive in the highly competitive market.

Human Resource Development/Industrial Relation

The Company rely that the health and safety of the workers and the persons residing in the vicinity of its plants is fundamental to the business. Commitment to the identification and elimination or control of the workplace hazards for protection of all is utmost importance. The manufacturing operations are conducted to ensure sensitivity towards the environment and minimize waste by encouraging "Green" practices. The Company continued to enjoy healthy industrial relations during the year.

Health & Safety

The company considers health and safety to be an essential province. The company has provided appropriate facilities for all workers and employees, such as adequate lighting, ventilation, and lack of congestion, as well as medical kits, stretchers, and fire extinguishers, among other things, at prominent locations. Personnel at supervisory level have been trained in basic life support techniques. The safety measures taken by the company has resulted in improving the conditions under which workers are employed and work, consequently increasing

the productivity.

Infrastructure

The company is equipped with modern infrastructure facilities which assist in smooth production. The company's manufacturing unit is outfitted with advanced machines and equipment and a trained staff, who have years of experience behind them. To sell products to the clients, the company has facilitated a smooth transportation mechanism through a strong base of transporters and traders.

Cautionary Statement

The above Management Discussion and Analysis contains certain forward-looking statements within the meaning of applicable security laws and regulations. These pertain to the Company's future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties, regarding a fluctuations in earnings, our ability to manage growth, competition, economic growth in India, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, government policies and actions with respect to investments, fiscal deficits, regulation etc. In accordance with the Code of Corporate Governance approved by the Securities and Exchange Board of India, shareholders and readers are cautioned that in the case of data and information external to the Company, no representation is made on its accuracy or comprehensiveness though the same are based on sources thought to be reliable. The Company does not undertake to make any announcement in case any of these forward-looking statements become materially incorrect in future or update any forward-looking statements made from time to time on behalf of the Company.



Independent Auditor's Report

To the members of
ELITECON INTERNATIONAL LIMITED
(Formerly known as Kashiram Jain & Company Limited)

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **ELITECON INTERNATIONAL LIMITED** (formerly known as Kashiram Jain & Company Limited) ("the Company"), which comprise the balance sheet as at 31st March 2023, the statement of profit and loss, statement of changes in equity and statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and explanations given to us, the aforesaid 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 accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2023, and the net loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the 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 ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described hereunder to be key audit matters to be communicated in our report.



Key audit matters	Auditor's response
<p><u>Revenue from operation</u></p> <p>(I) According to Ind AS 115, revenue to be recognized on satisfaction of performance obligation and transfer of control pertaining to goods.</p> <p>(II) Determination of transaction price for measurement of revenue according to Ind AS 115.</p>	<p>Our audit procedure inter- alia included the following-</p> <ul style="list-style-type: none"> • We assessed the company's accounting policy for timing of revenue recognition assess compliances in terms of Ind AS-115 on 'Revenue from contract with customers'. • On a sample basis we have tested orders or contract with customers, sales invoices raised by the company to determine timing of transfer of control along with transaction price. • We performed year end cut off procedures to determine whether revenues are recorded in the correct period. • We used assessment of overall control environment relevant for measurement of revenue. • We performed testing of journal entries, with particular focus on manual adjustment to revenue account including elimination of inter- branch transfer in total turnover in order to mitigate the risk of manipulation of revenue and/ or profit figures.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and the auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.



Responsibilities of Management and Those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the applicable accounting standards and the 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 of 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 are operating effectively for insuring 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 misstatements, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain a reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our 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 due to fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- (i) Identify and assess the risks of material misstatement of the 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- (ii) Obtain an understanding of the internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (iv) 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- (v) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls 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, relevant safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, 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 draw attention to Note no. 24(15) of the financial statements, The Company's net worth has been fully eroded. However, having regard financial support from its promoters, the financial statements have been prepared on the basis that the Company is a going concern and that no adjustments are required to the carrying value of assets and liabilities. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
2. 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 and proper returns adequate for the purposes of the audit have been received from branches not visited by us;
 - c. the Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts;



- d. In our opinion, the aforesaid financial statements comply with the applicable accounting standards specified under Section 133 of the Act;
- e. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure B**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- g. 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, if any of pending litigations on its financial position, in its financial statements (Refer note no. 24 of 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. The Company is not required to transfer any amount to the Investor Education and Protection Fund.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on such audit procedures we have obtained reasonable and appropriate evidence in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.



- v. No Dividend declared or paid by the company during the period by this report.
- vi. As proviso to Rule 3(1) of the companies (Accounts) rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable.
- h. In our opinion and according to the information and explanations given to us, the company has paid remuneration to its director during the current financial year in accordance with the provisions laid down under section 197 of the Act, read with Schedule V of the Act are being complied.

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E



O.P. Pareek
Partner
Membership No. 014238

UDIN: - 23014238BGXRRF5587

New Delhi, 7th day of June 2023

ANNEXURE- A TO THE AUDITOR'S REPORT

The Annexure referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date to the members of **ELITECON INTERNATIONAL LIMITED** (formerly known as Kashiram Jain & Company Limited) for the year ended on 31st March 2023.

- (i) (a) (A) According to the information and explanations given to us, the company is maintaining proper records showing full particulars, including quantitative details and situation of property plant and equipment;
- (B) According to the information and explanations given to us, the company does not have any Intangible asset hence the provisions of sub clause (i)(a)(B) of para 3 of the order are not applicable;
- (b) According to the information and explanations given to us, physical verification of Property Plant and equipment has been conducted once in a year by the management and no material discrepancies were noticed during the course of verification;
- (c) According to information and explanation given to us, the company does not hold any immovable property during the year dealt with by this report. Accordingly, the provisions of sub-clause (i)(c) of para 3 of the order are not applicable to the company;
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year. Accordingly, the provisions sub-clause (i)(d) of para 3 of the order are not applicable to the company;
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Accordingly, the provisions of sub- clause (i)(e) of para 3 of the order are not applicable to the company;
- (ii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the physical verification of inventory has been conducted at reasonable intervals by the management is appropriate and no material discrepancies were noticed during the course of such physical verification.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not taken any working capital loan during the period covered by this report. Accordingly, the provisions of sub-clause (ii)(b) of para 3 of the order are not applicable.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made investments in, provided any guarantee or security or loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the period covered by this report. Accordingly, the provisions under sub- clause (iii)(a) to (iii)(f) of para 3 of the order are not applicable.



- (iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has complied with the requirement of provision of section 186 of the Companies Act, 2013 to the extent as applicable to it;
- (v) According to the information and explanations given to us and on the basis of our examination of the records, The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, the requirement of provision of sub clause (v) of para 3 of the order are not applicable;
- (vi) According to information and explanations given to us, the Company is not liable to maintain cost records as prescribed under section 148(1) of the Companies Act, 2013;
- (vii) (a) According to information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including income-tax and any other applicable statutory dues to the appropriate authorities and there are no outstanding statutory dues as on 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 information and explanations given to us, there are no outstanding statutory dues on part of the Company which is not deposited on account of any dispute;
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year;
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records, the company has not defaulted in repayment of borrowings or in the payment of interest thereon to any lenders;
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority;
- (c) According to the information and explanations given to us by the management, the company has applied the term loan for the purpose for which they were obtained;
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis that have been utilized for the long- term purpose by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company does not have any subsidiaries as defined under the Companies Act, 2013. Accordingly, the provisions of sub clause (ix)(e) of para 3 of the order are not applicable;
- (f) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company does not have any subsidiaries as defined under the Companies Act, 2013. Accordingly, the provisions of sub clause (ix)(f) of para 3 of the order are not applicable;



- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, the provisions of sub clause (x)(a) of para 3 of the order are not applicable;
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of sub clause (x)(b) of para 3 of the order are not applicable;
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit;
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) According to the Information and explanations given to us, there are no whistle blower complaints received by the company during the year;
- (xii) According to the information and explanation given to us and on the basis of our information and explanation of the records of the company is not a Nidhi Company. Hence the provisions of sub clause (xii) of para 3 of the order are not applicable;
- (xiii) According to information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards;
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business;
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit;
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company;
- (xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934;
- (b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
- (c) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the requirement of provision of sub clause (xvi)(c) of para 3 of the order are not applicable;



- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of provision of sub clause (xvi)(d) of para 3 of the order are not applicable;
- (xvii) The Company has incurred cash losses during the current financial year and there was no cash losses in the immediately preceding financial year;
- (xviii) There has been resignation of the statutory auditors during the year and no consideration the issues, objections or concerns raised have been raised by the outgoing auditors;
- (xix) *According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions we are of the opinion that there exist a material uncertainty as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.*
- (xx) According to the information and explanations given to us, provisions of Corporate Social Responsibility (CSR) specified in section 135 read with schedule VII of Companies Act are not applicable upon the company.
- (xxi) According to the information and explanations given to us, we report that the Company does not have any subsidiaries as defined under the Companies Act, 2013. Accordingly, the provisions of sub clause (xxi) of para 3 the order are not applicable.

Signed for the purpose of identification

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E



O.P. Pareek
Partner
Membership No. 014238
UDIN: - 23014238BGXRRF5587



New Delhi, 7th day of June 2023

ANNEXURE- B TO THE AUDITOR'S REPORT

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

We have audited the internal financial controls with reference to financial statements of **ELITECON INTERNATIONAL LIMITED** (formerly known as Kashiram Jain & Company Limited) as on 31st March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company has, in all material aspects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2023, based on "the internal financial controls with reference to financial statements criteria 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".

Management's Responsibility for the Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Control 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 fraud and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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 ICAI. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material aspects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to financial statements 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 with reference to financial statements 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 the receipt and expenditures of the Company are being only in accordance with authorizations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with reference to financial statements

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

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

O.P. Pareek

O.P. Pareek
Partner
Membership No. 014238



UDIN: - 23014238BGXRRF5587

New Delhi, 7th day of June 2023

Elitecon International Limited
(Formerly known as Kashiram Jain & Company Limited)

CIN : L16000DL1987PLC396234

152, Shivani Apartments, Plot No. 63, I.P. Extension, Patparganj, Delhi - 110092

Balance Sheet as at 31st March, 2023

Particulars	Note No.	₹ in Lakhs	
		As at 31.03.2023	As at 31.03.2022
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	1,115.34	508.56
(b) Capital work-in-progress		-	-
(c) Other intangible assets		-	-
(d) Non-current investments		-	-
(e) Right of use assets	3	106.66	41.16
(f) Financial Assets		-	-
(i) Investments		-	-
(ii) Loans		-	-
(iii) Other Financial Assets		-	-
(g) Deferred tax assets(net)	13	1.74	-
(h) Other non-current assets		-	-
(2) Current Assets			
(a) Inventories	4	3,130.87	3,071.81
(b) Financial Assets		-	-
(i) Investments		-	-
(ii) Trade receivables	5	1,087.60	61.60
(iii) Cash and Cash Equivalents	6	19.92	72.21
(iv) Loans		-	-
(c) Other current assets	7	3,150.18	4,724.46
(d) Current Tax Assets (net)		12.20	-
TOTAL ASSETS		8,624.51	8,479.79
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	8	121.00	121.00
(b) Other Equity		(7,541.23)	275.88
Liabilities			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	9	6,491.84	2,775.00
(ia) Lease Liabilities	10	57.10	23.71
(ii) Other financial liabilities		-	-
(b) Provisions	11	3.70	-
(c) Deferred tax liabilities (Net)	12	-	1.37
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	9	-	-
(ia) Lease Liabilities	10	56.87	22.26
(ii) Trade payables:-	13	-	-
(A) total outstanding dues of micro enterprises and small enterprises		8.29	5,205.28
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		5,264.66	-
(b) Other Current Liabilities	14	4,162.26	39.88
(c) Provisions	15	0.02	-
(d) Current Tax Liabilities (net)	16	-	13.41
TOTAL EQUITY AND LIABILITIES		8,624.51	8,479.79

The accompanying notes 1 to 24 are an integral part of the Financial Statements.

As per our report of even date attached

For V.N. PUROHIT & CO.

Chartered Accountants

FRN: 304040E

O.P. Pareek

Partner

M. No.: 014238

UDIN: 230142388GXRFR5587



For and on behalf of the Board of Directors of
Elitecon International Limited

Wipin Sharma

Managing Director

DIN: 01739519

152, Shivani Apartments,
Plot No. 63,
I.P. Extension, Patparganj,
Delhi-110092

Upmanyu Pathak

Director and CEO

DIN: 06563100

31, P.G. Road Tiljala S.O.
Kolkata,
West Bengal Pincode-
700039

Date: 7th June, 2023

Place: New Delhi

Chetna
Chief Financial Officer
PAN: AVEPC8499A

Neha Anuj
Company Secretary
M. No.: 48171

Elitecon International Limited
(Formerly known as Kashiram Jain & Company Limited)
CIN : L16000DL1987PLC396234

152, Shivani Apartments, Plot No. 63, I.P. Extension, Patparganj, Delhi - 110092

Statement of Profit and Loss for the year ended 31st March, 2023

Particulars	Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
(₹ in Lakhs)			
I. Revenue from operations	17	5,796.40	1,930.45
II. Other Income	18	36.81	21.76
III. Total Income (I+II)		5,833.21	1,952.21
IV. Expenses			
Cost of materials consumed	19	12,286.82	2,339.26
Purchase of Stock-in-trade		-	-
Changes in inventories of finished goods, stock-in-trade and work in progress	20	49.46	(836.40)
Employee benefits expense	21	437.85	54.14
Finance Costs	22	36.32	26.40
Depreciation and amortization expense	3	239.86	89.35
Other expenses	23	604.12	221.27
Total expenses		13,654.43	1,894.02
V. Profit/(loss) before exceptional items and tax (III-IV)		(7,821.22)	58.19
VI. Exceptional Items		-	-
VII. Profit/ (loss) before tax (V-VI)		(7,821.22)	58.19
VIII. Tax expense:			
(1) Current tax		-	13.41
(2) Deferred tax		(3.11)	1.37
IX. Profit (Loss) for the period (VII - VIII)		(7,818.11)	43.41
X. Other Comprehensive income			
(A)(i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Sub-Total (A)		-	-
(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		-	-
Sub-Total (B)		-	-
Total Other Comprehensive income (A+B)		-	-
XI. Total Comprehensive Income for the period (IX+X) (Comprising Profit/(Loss) and Other Comprehensive Income for the period)		(7,818.11)	43.41
XII. Earnings per share (face value of ₹ 10 each):			
(1) Basic (₹)		(646.12)	3.79
(2) Diluted (₹)		(646.12)	3.79

The accompanying notes 1 to 24 are an integral part of the Financial Statements.

As per our report of even date attached
For V.N. PUROHIT & CO.
Chartered Accountants
FRN: 304040E

O.P. Pareek
Partner
M. No.: 014238
UDIN: 23014238BGXRRF5587



For and on behalf of the Board of Directors of
Elitecon International Limited

Vipin Sharma
Managing Director
DIN: 01739519
152, Shivani Apartments,
Plot No. 63,
I.P. Extension, Patparganj,
Delhi-110092

Upmanyu Pathak
Director and CEO
DIN: 06563100
31, P.G. Road Tiljala S.O.
Kolkata,
West Bengal Pincode-
700039

Chetna
Chief Financial Officer
PAN: AVEPC8499A

Neha Anuj
Company Secretary
M. No.: 48171

Date: 7th June, 2023
Place: New Delhi

Elitecon International Limited
(Formerly known as Kashiram Jain & Company Limited)
CIN : L16000DL1987PLC396234

152, Shivani Apartments, Plot No. 63, I.P. Extension, Patparganj, Delhi - 110092
Cash Flow Statement for the period ended 31st March, 2023

Particulars	(₹ in Lakhs)	
	Year ended 31.03.2023	Year ended 31.03.2022
A. Cash flow from Operations		
Profit before tax	(7,821.22)	58.19
Adjustment for:		
Depreciation and amortization expense	239.86	89.35
Financial Charges	36.32	26.40
Gratuity Expense	3.72	-
Interest income	-	-
Provision for Doubtful Debts	-	-
Liabilities written back	-	-
(Profit)/loss on sale of Property, plant and equipment	(0.40)	-
Operating profit before working capital changes	(7,541.72)	115.75
(Increase)/ Decrease in Current Assets		
Inventories	(59.06)	(3,071.81)
Trade receivables	(1,026.00)	(61.60)
Other current assets	1,574.27	(4,722.81)
Increase / (Decrease) in Current Liabilities		
Trade payables	67.67	5,204.07
Other Current Liabilities	4,122.38	23.16
Provisions	-	-
Cash Inflow / (outflow) from Operations	(2,862.46)	(2,455.05)
Income Tax paid	(25.61)	(25.60)
Net Cash Inflow / (Outflow) from Operating Activities (A)	(2,888.06)	(2,455.05)
B. Cash flow from Investing activities		
Purchase of property, plant and equipment	(811.82)	(576.02)
Sale of property, plant and equipment	7.47	-
Interest received	-	-
Loans given/ realized	-	231.15
Sale/redemption of Investments	-	(804.35)
Net Cash Inflow / (Outflow) from Investing Activities (B)	(804.35)	(219.18)
C. Cash Flow form Financing Activities		
Proceed from issue of share Capital	-	15.00
Increase in Securities Premium	-	30.00
Proceed from Long Term Borrowings	3,715.84	2,742.94
Payment of Lease Liabilities	(47.90)	(22.12)
Financial Charges	(27.82)	(21.36)
Net Cash Inflow / (Outflow) from Financing Activities (C)	3,640.12	2,744.46
Net Change in Cash or Cash Equivalents during the year (A+B+C)	(52.29)	70.22
Cash and Cash Equivalents at the beginning of the year	72.21	1.99
Cash and Cash Equivalents at the end of the year	19.92	72.21

Notes:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS-7 'Statement of Cash Flows'.
2. Cash and Cash Equivalents represent cash and bank balances (Refer Note 6).
3. Previous year's figures have been regrouped/rearranged/recasted wherever necessary.

The accompanying notes 1 to 24 are an integral part of the Financial Statements.

As per our Audit Report of even date attached
For V.N. PUROHIT & CO.
Chartered Accountants
FRN: 304040E

O.P. Pareek
Partner
M. No.: 014238
UDIN: 23014238BGXRRF5587



For and on behalf of the Board of Directors of
Elitecon International Limited

Vipin Sharma
Managing Director
DIN: 01739519
152, Shivani Apartments,
Plot No. 63,
I.P. Extension, Patparganj,
Delhi-110092

Upmanyu Pathak
Director and CEO
DIN: 06563100
31, P.G. Road Tiljala
S.O. Kolkata,
West Bengal Pincode
700039

Chetna
Chief Financial Officer
PAN: AVEPC8499A

Neha Anuj
Company Secretary
M. No.: 48171

Date: 7th June, 2023
Place: New Delhi

(2) Previous reporting period

(₹ in Lakhs)

	Reserves and surplus										Total		
	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium	Other reserves (Specify nature)	Retained earnings	Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of cash flow hedges	Revaluation surplus		Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (Specify nature)
Balance at the beginning of the previous reporting period	-	-	-	196.00	-	7.47	-	-	-	-	-	-	203.47
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the previous reporting period	-	-	-	196.00	-	7.47	-	-	-	-	-	-	203.47
Total comprehensive income for the previous year	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	43.41	-	-	-	-	-	-	43.41
Equity Shares issued during the year	-	-	-	30.00	-	-	-	-	-	-	-	-	30.00
Balance at the end of the previous reporting period	-	-	-	226.00	-	50.88	-	-	-	-	-	-	276.88

The accompanying notes 1 to 24 are an integral part of the Financial Statements.

As per our report of even date attached
For V.N. PUROHIT & CO.
Chartered Accountants
FRN: 304040E



O.P. Pareek
Partner
M. No.: 014238
UDIN: 23042386GRRF5587

DATE: 7th June, 2023
Place: New Delhi

For and on behalf of the Board of Directors of
Elitecon International Limited

Vipin Sharma
Managing Director
DIN: 01739519
352, Shweta Apartments,
Plot No. 65,
I.P. Extension, Paparganj,
Delhi-110092

Chetan
Director
Chief Financial Officer
PAN: AVFPC9499A



Upmoyo Patra
Upmoyo Patra
Director and CEO
DIN: 06563100
31, P.G. Road Tiljala,
S.O. Kolkata,
West Bengal
Pincode-700039

Neha Anuj
Neha Anuj
Company Secretary
M. No.: 48171

Elitecon International Limited
(Formerly known as Kashiram Jain & Company Limited)
CIN : L16000DL1987PLC396234

152, Shivani Apartments, Plot No. 63, I.P. Extension, Patparganj, Delhi - 110092

Notes to the Financial Statements

Note-1: Corporate Overview

Elitecon International Limited ('EIL') is engaged in manufacturing and trading of all kinds of tobacco, cigarettes, smoking and other products of tobacco and deals in any other articles and things commonly dealt in by tobacconists.

EIL is a public limited company incorporated and domiciled in India having its registered office at 152, Shivani Apartments, Plot No. 63, I.P. Extension, Patparganj, Delhi - 110092. EIL is listed on the Bombay Stock Exchange Limited (BSE) and the Calcutta Stock Exchange Limited (CSE).

The Company shifted its registered office from the state of Assam to New Delhi vide fresh Certificate of Incorporation No. (CIN) L16000DL1987PLC396234 dated 6th April 2022.

2 Significant Accounting Policies

2.1 Basis of preparation of financial statements:

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values. The Ind AS are prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.2 Use of Estimates and judgments:

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the applications of the accounting policies and the reported amounts of assets and liabilities, disclosure of contingent assets & liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements.

2.3 Property, Plant and Equipment:

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition which is not recoverable. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

Depreciation on property, plant & equipment is calculated on Written Down Method in accordance with the provisions of Schedule II of the Companies Act, 2013 keeping 5% of cost as residual value. The useful life of property, plant & equipment as defined in Part C of schedule II of the Companies Act, 2013 has been taken for all property, plant & equipment except for Office Equipments, Printer and Lab Equipments. In case of purchase / sale of assets during the year, depreciation has been charged on pro rata basis from / up to date of commercial production / sale. Depreciation is not provided on Capital Work in Progress until the assets are ready for its intended use.

The management believes that the useful lives as given below best represent the period over which the management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of schedule II of the Companies Act, 2013:

Office Equipments	15 and 10 Years
Printer	6 Years
Lab Equipments	15 Years

Intangible Assets:

Intangible assets are stated at cost less accumulated amortization and net of impairments, if any. Intangible assets are amortized over their estimated useful lives on straight-line basis. An intangible asset is recognized if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and its cost can be measured reliably.



[Handwritten signature]

Upmayo Sattar



Chetna

Neha Arora

Elitecon International Limited
(Formerly known as Kashiram Jain & Company Limited)
CIN : L16000DL1987PLC396234

152, Shivani Apartments, Plot No. 63, I.P. Extension, Patparganj, Delhi - 110092

Notes to the Financial Statements

2.4 Inventories:

The inventories are valued at lower of cost or net realizable value. The cost of inventories is determined based on weighted average cost method as permitted by Indian Accounting Standard 2 - Inventories.

The basis of determining cost for various categories of inventories is as follows:-

- Spares, consumables and accessories are valued on Weighted Average basis.
- Raw material are valued on Weighted Average basis.
- Work-in-progress are valued at cost of production (cost of materials and overhead up to the completed stage of production)
- Inventories of Finished goods are valued on Weighted Average basis or net realizable value whichever is less.
- Goods in transit are recorded at its purchase price.

2.5 Foreign Currency Transaction:

The functional and presentation currency of the Company is Indian Rupee. Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Current assets and current liabilities denominated in foreign currency are translated at the exchange rate prevalent at the date of the balance sheet. Gains /losses arising on settlement as also on translation of monetary items are recognized in the Statement of Profit and Loss.

2.6 Taxes on Income:

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years. Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

2.7 Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable for goods supplied. Revenue from sale of products is recognized when the company performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods is when the control over the same is transferred to the customer. Revenue from sale of goods excludes Excise Duty, Sales Tax/GST and Trade Discount.

Interest income is recognised in the Statement of Profit and Loss using the effective interest method.

Dividend income is recognized in the Statement of Profit and Loss when the right to receive dividend is established.

2.8 Borrowing Cost:

Borrowing cost that are attributable to the acquisition / construction of qualifying assets are capitalized as part of the cost of the respective assets. Other borrowing costs are recognized as expenses in the year in which they are incurred.

2.9 Leases:

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

Company as a Lessee

Right-of-Use (ROU) assets are recognized at inception of a contract or arrangement for significant lease components at cost less lease incentives, if any. ROU assets are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The cost of ROU assets includes the amount of lease liabilities recognized, initial direct cost incurred and lease payments made at or before the lease commencement date. ROU assets are generally depreciated over the shorter of the lease term and estimated useful lives of the underlying assets on a straight line basis. Lease term is determined based on consideration of facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Lease payments associated with short-term leases and low value leases are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

The Company recognises lease liabilities measured at the present value of lease payments to be made on the date of recognition of the lease. Such lease liabilities do not include variable lease payments (that do not depend on an index or a rate), which are recognised as expense in the periods in which they are incurred. Interest on lease liability is recognised using the effective interest method. Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities is also remeasured upon modification of lease arrangement or upon change in the assessment of the lease term. The effect of such remeasurements is adjusted to the value of the ROU assets.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment or investment property and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the term of the lease.



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Notes to the Financial Statements

2.10 Financial instruments: Financial assets, Financial liabilities and Equity Instruments:

Financial Assets -

Recognition

Financial Assets are initially recognised at transaction price. Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. Financial assets are classified as those measured at:

(a) amortized cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/or interest.

(b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealized gains and losses arising from changes in the fair value being recognised in other comprehensive income.

(c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealized gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Derecognition

Financial assets are derecognized when the right to receive cash flows from the assets has expired, or has been transferred, and the Group has transferred substantially all of the risks and rewards of ownership. If the asset is one that is measured at:

(a) amortized cost, the gain or loss is recognised in the Statement of Profit and Loss;

(b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment, in which case the cumulative fair value adjustments previously taken to reserves are reclassified within equity.

Financial Liabilities -

Recognition

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortized cost. Any discount or premium on redemption/ settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Derecognition

Financial liabilities are derecognized when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled or on expiry.

Equity Instruments-

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

2.11 Employee Benefits:

a) Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, performance, incentives, etc, are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the employee renders the related service.

b) Post-Employment Benefits

Post retirement benefits like provident fund, superannuation, gratuity and post retirement medical benefits are provided for as below:

Defined Contribution Plans

Contributions under Defined Contribution Plans i.e. provident fund & superannuation fund are recognised in the Statement of Profit and Loss in the period in which the employee has rendered the service.

Defined Benefit Plans

For defined benefits retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each year end balance sheet date. Re-measurement gains and losses of the net defined benefit liability/(asset) are recognised as an expense within employment costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The retirement benefit obligation recognised in the balance sheet represents the present value of defined-benefit obligation as reduced by the fair value of plan assets.

c) Other benefits

Other long term benefits include compensated absences, long term service benefit, pension and sick leave. The liability towards other long term benefits is determined by independent actuary at every balance sheet date and service cost, net interest on net defined liability/(asset) are recognised in profit and loss account.



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Notes to the Financial Statements

2.12 Basic earning per share:

Basic earning per share is calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split and reserve share splits that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.13 Segment Information:

The Company is primarily engaged in the business of "tobacco and allied products", which in terms of Ind AS 108 on "Segment Reporting" constitutes a single reporting segment.

2.14 Provisions, contingent liabilities and contingent assets:

Provisions are recognised in the balance sheet when the company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the reporting date taking into account the risks and uncertainties surrounding the obligation.

2.15 Impairment of assets:

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.

If assets are considered to be impaired, the impairment to be recognised 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 depreciation) had no impairment been recognized for the asset in prior years.

2.16 Derivatives and hedge accounting:

Derivatives are initially recognised at fair value and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gains / losses are recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of recognition in profit or loss /inclusion in the initial cost of non-financial asset depends on the nature of the hedging relationship and the nature of the hedged item.

2.17 Government Grants:

The Company may receive government grants that require compliance with certain conditions related to the Company's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria. Government grants are recognised when there is reasonable assurance that the grant will be received upon the Company complying with the conditions attached to the grant. Accordingly, government grants:

- (a) related to or used for assets, are deducted from the carrying amount of the asset.
- (b) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.
- (c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.



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Notes to the Financial Statements

Note 3:- Property, Plant and Equipment

Sr. No.	Particulars	Gross Block		Depreciation and Amortization		Net Block			
		As at 01.04.2022	Additions during the year	Deductions/ Adjustments	As at 31.03.2023	For the year	Deductions/ Adjustments	As at 31.03.2023	As at 31.03.2022
I	Property, plant & equipment								
	Factory Building	-	-	-	-	-	-	-	-
	Plant & Equipment	526.81	803.17	7.18	1,322.80	184.56	244.76	1,078.04	466.06
	Furniture & Fixtures	37.71	1.65	0.44	38.92	9.39	14.78	24.14	32.32
	Office Equipments	11.27	5.31	-	16.58	3.46	4.77	11.81	9.96
	Computers	0.22	1.69	-	1.91	0.56	0.56	1.35	0.22
	Software*	-	-	-	-	-	-	-	-
	Sub total (A)	576.01	811.82	7.62	1,380.21	197.97	264.87	1,115.34	508.56
II	Capital Work in Progress								
	Capital WIP	-	-	-	-	-	-	-	-
	Sub total (B)	-	-	-	-	-	-	-	-
III	Right of Use Assets								
	Office	63.05	107.40	-	170.45	41.90	63.79	106.66	41.16
	Sub total (C)	63.05	107.40	-	170.45	41.90	63.79	106.66	41.16
	Grand Total (A+B+C)	639.06	919.22	7.62	1,550.66	239.86	328.66	1,222.00	549.72

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Neha Arora



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Notes to the Financial Statements

Note 4:- Inventories

Particulars	(₹ in Lakhs)	
	As at 31.03.2023	As at 31.03.2022
Raw Materials	2,343.93	2,235.41
Work-in-progress	-	-
Finished Goods	786.94	650.76
Stock In Transit: Finished goods	-	185.64
Total	3,130.87	3,071.81

Note:

- (a) Raw material are valued on Weighted Average basis.
- (b) Work-in-progress are valued at cost of production (cost of materials and overhead up to the completed stage of production).
- (c) Inventories of Finished goods are valued on Weighted Average basis or net realizable value whichever is less.

Note 5:- Trade Receivables

Particulars	(₹ in Lakhs)	
	As at 31.03.2023	As at 31.03.2022
(a) Secured, considered good	-	-
(b) Unsecured Considered Good	1,087.60	61.60
(c) Doubtful	-	-
Total	1,087.60	61.60

Trade receivables ageing schedule

Particulars	Outstanding for following periods from due date of payment 31.03.2023					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	997.52	90.08	-	-	-	1,087.60
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Total	997.52	90.08	-	-	-	1,087.60

Trade receivables ageing schedule

Particulars	Outstanding for following periods from due date of payment 31.03.2022					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	61.60	-	-	-	-	61.60
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Total	61.60	-	-	-	-	61.60



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Notes to the Financial Statements

Note 6:- Cash and Cash equivalents

Particulars	(₹ in Lakhs)	
	As at 31.03.2023	As at 31.03.2022
Balances with Banks	11.81	70.25
Cheques, Draft in hand	-	-
Cash on hand	8.11	1.96
Total	19.92	72.21

Note 7:- Other current assets

Particulars	(₹ in Lakhs)	
	As at 31.03.2023	As at 31.03.2022
Advances other than capital advances	-	-
Advances to related parties	-	-
Other advances:		
TDS & TCS	-	5.01
GST & Cess inward	1,947.85	828.26
GST & Cess Refund receivable	984.82	3,826.49
Deposits with Government Authorities	-	-
Deposits & Advances receivable in cash or in kind or for value to be received	41.73	8.76
Advance to Suppliers	175.78	55.94
Total	3,150.18	4,724.46



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Notes to the Financial Statements

Note B:- Equity Share capital

(₹ in Lakhs)

Particulars	As at 31.03.2023		As at 31.03.2022	
	No. of Shares	Amount	No. of Shares	Amount
(A) Authorized, Issued, Subscribed and fully paid up				
Authorized:				
Equity shares of Rs. 10/- each	1,00,00,000.00	1,000.00	1,00,00,000.00	1,000.00
Total	1,00,00,000.00	1,000.00	1,00,00,000.00	1,000.00
Issued, subscribed and fully paid up:				
Equity shares of Rs. 10/- each	12,10,000.00	121.00	12,10,000.00	121.00
Total	12,10,000.00	121.00	12,10,000.00	121.00

(B) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31.03.2023	As at 31.03.2022
Number of shares outstanding as at the beginning of the year	12,10,000	10,60,000
Add: Number of shares allotted for cash	-	1,50,000
Less: Number of shares bought back during the year	-	-
Number of shares outstanding as at the end of the year	12,10,000	12,10,000

(C) Shares in the company held by each shareholder holding more than 5% shares

Name of the shareholder	As at 31.03.2023		As at 31.03.2022	
	No. of Shares	Percentage	No. of Shares	Percentage
Amrac Real Estate Fund-1	4,00,000	33.06%	4,00,000	33.06%
DUC Education Foundation	2,74,900	22.72%	2,74,900	22.72%
Vipin Sharma	4,20,000	34.71%	4,20,000	34.71%

(D) Ordinary Shares allotted as fully paid pursuant to contract(s) without payment being received in cash during the period of five years immediately preceding 31st March, 2023: NIL

(E) Ordinary Shares allotted as fully paid up Bonus Shares for the period of five years immediately preceding 31st March, 2023: NIL

(F) Rights, preferences and restrictions attached to the Ordinary Shares:

The Ordinary Shares of the Company, having par value of Rs. 10/- per share, rank pari passu in all respects including voting rights and entitlement to dividend.

(G) Ordinary Shares bought back for the period of five years immediately preceding 31st March, 2023: NIL

(H) Shareholding of promoters

S.No.	Promoter's name	As at 31.03.2023		As at 31.03.2022		% Change during the year
		No. of shares	% of total shares	No. of shares	% of total shares	
1	Vipin Sharma	4,20,000.00	34.71%	4,20,000.00	34.71%	-
2	DUC Education Foundation	2,74,900.00	22.72%	2,74,900.00	22.72%	-
3	Amrac Real Estate Fund - 1	4,00,000.00	33.06%	4,00,000.00	33.06%	-



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Notes to the Financial Statements

Note 9:- Borrowings

Particulars	Non-Current		Current	
	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022
Unsecured				
Loan from related parties	5,964.07	2,748.16	-	-
Loans from Others	527.77	27.84	-	-
Total	6,491.84	2,776.00	-	-

Terms of borrowings:

Loan from Related Parties: This includes loan from M/s Mridul Tobie Inc. and Pandokhar Food LLP. The loan taken is repayable by the company on the date of expiry of 1 year from the date of last disbursal of loan amount. The loan does not carry any interest.

Loan from Others : The loan is repayable by the company on the date of expiry of 1 year from the date of last disbursal of loan amount with a further extension period of 6 months on consent of the lender. The loans carries interest @ 9% p.a.

Note 10:- Lease liabilities

The Company's significant leasing arrangements are in respect of Land and Building/ Shed for non-residential purpose for a period of 36 months commencing from 16.03.2022. The amount of ROU assets and lease liabilities recognized in Balance Sheet are disclosed in Note No. 3 and Note No. 12 respectively. The total cash outflow for lease for the year is Rs. 47.90 Lakhs.

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

Particulars	As at 31.03.2023		As at 31.03.2022	
	Non-Current	Current	Non-Current	Current
Lease liabilities	57.10	56.87	23.71	22.26
Total	57.10	56.87	23.71	22.26

Movement of lease liabilities during the year

Particulars	As at	As at
	31.03.2023	31.03.2022
Opening lease liabilities	45.97	-
New leases recognized	107.40	63.05
Remeasurements and withdrawals	-	-
Interest expense on Lease Liabilities	8.50	5.04
Payment of Lease Liabilities made	(47.90)	(22.12)
Foreign Currency Translation Reserve adjustment	-	-
Closing balance of Lease Liabilities	113.97	45.97

The maturities of lease liabilities including interest thereon over the remaining lease term is as follows:

Particulars	As at	As at
	31.03.2023	31.03.2022
Less than one year	23.64	23.64
More than one year and less than three years	90.33	22.33
Total	113.97	45.97

Note 11:- Provisions-Non current

Provision for gratuity

	As at 31.03.2023	As at 31.03.2022
Provision for gratuity	3.70	-
Total	3.70	-

Note 12:- Deferred tax liabilities/(assets) (Net)

Particulars	As at	As at
	31.03.2023	31.03.2022
Deferred tax liabilities	-	1.37
Deferred tax assets	(1.74)	-
Deferred tax liabilities/(assets) (Net)	(1.74)	1.37

Movement of deferred tax liabilities/ (assets)

Particulars	Opening Balance	Recognized in Profit & Loss	Recognized in OCI	Closing Balance
2022-23				
Deferred tax liabilities/ assets in relation to:				
On Property, plant and equipment	2.60	(2.60)	-	-
Total deferred tax liabilities	2.60	(2.60)	-	-
On Property, plant and equipment	-	-	1.13	1.13



On Business loss	(1.23)	1.23	-	-
On Leases	-	(1.90)	-	(1.90)
On Gratuity	-	(0.97)	-	(0.97)
Total deferred tax assets	(1.23)	(0.51)	-	(1.74)
Deferred tax liabilities/ (assets) (Net)	1.37	(3.11)	-	(1.74)
2021-22				
Deferred tax liabilities/ assets in relation to:				
On Property, plant and equipment	-	2.60	-	2.60
Total deferred tax liabilities	-	2.60	-	2.60
On Business loss	-	(1.23)	-	(1.23)
Total deferred tax assets	-	(1.23)	-	(1.23)
Deferred tax liabilities/ (assets) (Net)	-	1.37	-	1.37



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Chetna



Neha Arun

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Notes to the Financial Statements

Note 13:- Trade payable

	(₹ in Lakhs)	
Particulars	As at 31.03.2023	As at 31.03.2022
Sundry Creditors for:		
(a) Material & Supplies		
(i) total outstanding dues of micro enterprises and small enterprises	0.93	5,189.24
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises.	5,250.20	-
(b) Services & others		
(i) total outstanding dues of micro enterprises and small enterprises	7.36	16.04
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises.	14.45	-
Total	5,272.95	5,205.28

In accordance with Notification issued by the Ministry of Corporate Affairs, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Development Act, 2006. Disclosure under section 22 of the Act, is as under -

	As at 31.03.2023	As at 31.03.2022
(a) Principal amount due at the year end	8.29	5,205.28
(b) Interest due on the principal amount unpaid at the year end	-	-
(c) Amount of interest paid by the company in terms of section 16 of the MSMED Act, 2006 along with the amount of payment made to the supplier beyond the appointed day during the accounting year	-	-
(d) Amount of interest due and payable for the period of delay in making payment which has been paid but beyond the appointed day during the year, but without adding the interest specified under MSMED Act, 2006	-	-
(e) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-
Total	8.29	5,205.28

Trade Payables Ageing Schedule: 31.03.2023

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	8.29	-	-	-	8.29
(ii) Others	2,069.40	3,195.26	-	-	5,264.66
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	2,077.69	3,195.26	-	-	5,272.95

Trade Payables Ageing Schedule: 31.03.2022

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	5,205.28	-	-	-	5,205.28
(ii) Others	-	-	-	-	-
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	5,205.28	-	-	-	5,205.28

Note 14:- Other current liabilities

	(₹ in Lakhs)	
Particulars	As at 31.03.2023	As at 31.03.2022
Current portion of Long Term Borrowings	-	-
Duties & taxes	192.30	4.92
Expenses Payable	9.26	4.92
Other payables	20.30	23.16
Revenue received in advance	3,940.40	6.88
Total	4,162.26	39.88

Note 15:- Provisions-Non current

	(₹ in Lakhs)	
Particulars	As at 31.03.2023	As at 31.03.2022
Provision for gratuity	0.02	-
Total	0.02	-

Note 16:- Current Tax Liabilities (Net)

	(₹ in Lakhs)	
Particulars	As at 31.03.2023	As at 31.03.2022
Current income tax Liabilities	-	13.41
Total	-	13.41



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Notes to the Financial Statements

Note 17:- Revenue from operations

(₹ in Lakhs)

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Sale of products	5,796.40	1,930.45
Sale of services	-	-
Other operating revenues	-	-
Total	5,796.40	1,930.45

Note 18:- Other Income

(₹ in Lakhs)

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Profit on Sale of Property Plant & Equipment	0.40	-
Exchange Fluctuation Gain	4.23	5.27
Other non-operating income	32.18	16.49
Total	36.81	21.76

Note 19:- Cost of material consumed

(₹ in Lakhs)

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Consumption of raw material		
Opening Stock	2,235.41	-
Add: Purchases	12,395.34	4,574.67
Less: Closing Stock	2,343.93	2,235.41
Total	12,286.82	2,339.26

Note 20:- Changes in Inventories of Finished Goods and Works in Progress

(₹ in Lakhs)

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Opening Stock		
Finished Goods	836.40	-
Work in progress	-	-
(A)	836.40	-
Closing stock		
Finished Goods	786.94	836.40
Work in progress	-	-
(B)	786.94	836.40
Total (A-B)	49.46	(836.40)



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Upmoyo Pattal



Chetna

Neha Anuj

Elitecon International Limited
(Formerly known as Kashiram Jain & Company Limited)
CIN : L16000DL1987PLC396234
152, Shivani Apartments, Plot No. 63, I.P. Extension, Patparganj, Delhi - 110092

Notes to the Financial Statements

Note 21:- Employee benefits expense

(₹ in Lakhs)

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Salaries and wages	368.02	51.43
Contribution to provident and other funds	3.94	-
Staff welfare	7.57	0.68
Directors' Remuneration	54.60	2.03
Gratuity Expense	3.72	-
Total	437.85	54.14

Note 22:- Finance cost

(₹ in Lakhs)

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Interest on borrowings	25.30	20.51
Interest on Lease Liability	8.50	5.04
Bank Charges	2.52	0.85
Total	36.32	26.40

Note 23:- Other expenses

(₹ in Lakhs)

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
Manufacturing Costs		
Power & Fuel	38.15	8.00
Freight, Cartage & Custom Clearance Charges	124.18	27.24
Job Work Charges and Labour	59.67	18.83
Repairs-Plant & Machinery	14.49	9.37
Testing Charges	-	0.02
Stores, Consumables & Packing	71.14	34.40
Other Expenses		
Communication Expenses	1.26	0.27
Computer Expense	-	-
Fees & Subscriptions	3.18	2.18
Legal, professional and consultancy charges	95.83	35.85
Director's Sitting Fees	2.38	1.91
Loading & Unloading Expenses	0.78	0.20
BSE Annual Fees and Depository Expenses	3.23	6.27
Interest and penalty	-	-
Insurance Expenses	9.20	-
Miscellaneous expenses	0.58	0.23
Office Expenses	2.63	1.16
GST, Cess, Excise duty & NCCD	-	8.83
Duty and Taxes	1.30	0.67
Payment to auditors*		
- for statutory audit	6.50	4.00
- for certification/limited review	1.00	0.40
Secretarial Audit Fees	0.15	-
Printing, Postage, Telegram & Courier Expenses	1.33	0.32
E Voting Charges	0.05	0.12
Repair & Maintenance Machineries	5.64	-
Repair & Maintenance Land & Building	12.82	11.14
Rent	33.70	5.54
Rates & Taxes other than taxes on income	9.11	2.08
Retainership Expense	-	-
Security Expenses	20.78	3.00
Travelling Expenses	5.92	2.28
Advertising & Publicity Expenses	1.73	2.68
Freight & Forwarding Expenses	77.39	34.29
Total	604.12	221.27

***Note: Payment to auditors**

- for statutory audit	6.50	4.00
- for company law matters	-	-
- for taxation matters-tax audit	-	-
- for others-certification/limited review	1.00	0.40
Total	7.50	4.40








Notes to the Financial Statements

Note 24:

1) Contingent Liabilities and Commitments (to the extend not provided for

(₹ in Lakhs)		
i) Contingent Liabilities		
Particulars	As at 31.03.2023	As at 31.03.2022
a) Claims against the company not acknowledged as debt	-	-
b) Guarantees excluding financial guarantees	-	-
c) Other money for which the company is contingently liable:		
- Income Tax Matters: Demand due to assessment proceeding u/s 147*	122.48	22.00
d) Seizure of goods u/s 110 of the Customs Act 1962**	80.00	-
Total	202.48	22.00

* The Income Tax Department had passed an order dated 24.02.2023 under Section 147 read with Section 144 of the Income tax Act, 1961 ("the Act") pertaining to A.Y. 2018-19 by making an addition to the income for Rs. 99.99 Lakhs. The Company has received a notice of demand for Rs. 122.48 Lakhs under Section 156 of the Act. The management has decided to contest such order and is currently under the process of filing an appeal along with condonation of delay and such other rights and remedies available under Chapter XX of the Act.

** On 19th October 2022, the Central Intelligence Unit, Mumbai Zone- II, Department of Customs ("the Department") have seized the goods attempted to be exported by the company vide S/B No. 4205537 and S/B No. 4208748 Dated 15.09.22 by exercising their powers conferred to section 110 of the customs Act 1962. The FOB value of such goods to be exported were Rs. 500.37 Lakhs. The Company had filed a Writ Petition No. 13250 of 2022 against the seizure order with Hon'ble Bombay High Court. The Company had also filed an Interim Application 1284 of 2023 for provisional release of goods whereby on 19th January 2023, the Department has agreed for provisional release of goods upon furnishing of bond of 100% value of seized goods backed by a Bank Guarantee of Rs. 80.00 Lakhs. The investigation is pending for adjudication with the Department whereas the concerned writ petition is under subjudice with Hon'ble Court.

(₹ in Lakhs)		
ii) Commitments		
Particulars	As at 31.03.2023	As at 31.03.2022
a) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
b) Uncalled liability on shares and other investments partly paid	-	-
c) Other Commitments	-	-
Total	-	-

2) Earnings per Share

(₹ in Lakhs)		
Particulars	As at 31.03.2023	As at 31.03.2022
(I) Profit / (loss) for the year	(7,818.11)	43.41
(II) Weighted average number of Ordinary shares outstanding for the purpose of basic earnings per share	12,10,000	11,44,247
(III) Weighted average number of Ordinary shares in computing diluted earnings per share	12,10,000	11,44,247
(IV) Earnings per share on profit for the year (Face Value Rs. 10.00 per share)		
- Basic (₹) [(I)/(II)]	(646.12)	3.79
- Diluted (₹) [(I)/(III)]	(646.12)	3.79

3) Employee Benefits

Defined Contribution Plans

(₹ in Lakhs)		
Amount recognized as expenses in defined contributions plans:		
Particulars	2022-2023	2021-22
Contribution Provident Fund & Employees pension scheme 1995	-	-
Employees' State Insurance Corporation (ESIC)	-	-

Defined Benefit Plans

Gratuity Benefits

The liabilities arising in the Defined Benefit Schemes are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method.

(₹ in Lakhs)		
Components of Employer Expenses	As at 31.03.2023	As at 31.03.2022
Recognized in Statement of Profit and Loss		
Current Service Cost	3.72	N.A.
Past service Cost	-	N.A.
Net Interest Cost	-	N.A.
Total Expenses Recognized in Statement of Profit and Loss (A)	3.72	N.A.

Effects recognized in Other Comprehensive Income

Return on plan assets (greater)/ less than the expected return	-	N.A.
Actuarial (Gain) / loss due to demographic assumptions	-	N.A.
Actuarial (Gain) / loss due to financial assumptions	-	N.A.
Changes in asset ceiling	-	N.A.
Actuarial (Gain) / loss due to experience on DBO	-	N.A.
Net actuarial loss / (gain) for the year recognized in Other Comprehensive Income (B)	-	N.A.

Total defined benefit cost recognized in the Statement of Profit and Loss and Other Comprehensive Income (A+B)

(₹ in Lakhs)		
Net Asset/(Liability) recognized in Balance Sheet	As at 31.03.2023	As at 31.03.2022
Present value of Defined Benefit Obligation	3.72	N.A.
Status [Surplus / (Deficit)]	-	N.A.
Restrictions on Asset Recognized	-	N.A.



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Notes to the Financial Statements

Net Asset/(Liability) recognized in Balance Sheet	(3.72)	N.A.
Reconciliation of Defined Benefit Obligation (DBO)		
	As at	As at
	31.03.2023	31.03.2022
Present Value of DBO at the beginning of the year	-	N.A.
Current Service Cost	3.72	N.A.
Past Service Cost	-	N.A.
Interest Cost	-	N.A.
Actuarial Loss / (Gain) - demographic	-	N.A.
Actuarial Loss / (Gain) - financial	-	N.A.
Changes in asset ceiling (excluding interest income)	-	N.A.
Actuarial Loss / (Gain) - experience	-	N.A.
Loss / (Gain) on Curtailments	-	N.A.
Loss / (Gain) on settlements	-	N.A.
Effects of acquisition / merger	-	N.A.
Transfer In/(Out)	-	N.A.
Benefit payments directly by employer	-	N.A.
Benefit payments from plan assets	-	N.A.
Total Actuarial Loss (Gain)	-	N.A.
Exchange differences on foreign plans	-	N.A.
Present value of DBO at the end of the year	3.72	N.A.

Composition of the Plan Assets	As at	As at
	31.03.2023	31.03.2022
Government of India Securities	-	N.A.
State Government Securities	-	N.A.
High Quality Corporate Bonds	-	N.A.
Equity Shares of listed Companies	-	N.A.
Property	-	N.A.
Special Deposit Scheme	-	N.A.
Policy of Insurance	-	N.A.
Bank Balance	-	N.A.
Other Investments	-	N.A.
Total	-	N.A.

Basis used to determine the Expected Rate of Return on Plan Assets

Discount Rate: The rate used to discount other long term employee benefit obligation (both funded and unfunded) have been determined by the reference to market yield at the Balance Sheet Date on government bonds. The currency and term of the government bond shall be consistent with currency and estimated term of the post employment benefit obligation.

Rate of Return on Plan Assets: Interest income on plan assets is calculated using the expected rate of return and the assets at the beginning of the period.

Withdrawal Rates: withdrawal rates takes into account the board economic outlook, type of sector the company operates in and measures taken by the management to retain/ relieve the employees.

Sensitivity Analysis

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

Sensitivity to key assumptions	% change compared to base due to sensitivity	As at	As at
		31.03.2023	31.03.2022
Discount rate: Increase by 1 %	-8.08%	3.42	N.A.
Decrease by 1 %	9.17%	4.06	N.A.
Salary growth rate: Increase by 1 %	9.54%	4.08	N.A.
Decrease by 1 %	-8.52%	3.40	N.A.
Attrition rate: Increase by 1 %	-12.84%	3.24	N.A.
Decrease by 1 %	10.99%	4.13	N.A.
Mortality Rate: Increase by 1%	0.33%	3.73	N.A.
Decrease by 1 %	-0.33%	3.71	N.A.

Past Service wise Distribution

Past Service	Benefits Payable
1 Year	0.02
2 to 5 Years	1.36
6 to 10 Years	2.76
above 10 Years	3.55
Total	7.68

4) Categories of Financial Instruments

Particulars	Note No.	As at 31.03.2023		As at 31.03.2022	
		Carrying Value	Fair Value	Carrying Value	Fair Value

A. Financial Assets

a) Measured at amortized cost

-Cash and cash equivalents	6	19.92	19.92	72.21	72.21
-Investments					



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Notes to the Financial Statements

-Loans	-	-	-	-
-Other financial assets	-	-	-	-
-Trade Receivables	5	1,087.60	1,087.60	61.60
Total		1,107.52	1,107.52	133.81

b) Measured at Fair Value through OCI

c) Measured at fair value through Profit or Loss

Total Financial Assets		1,107.52	1,107.52	133.81	133.81
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B. Financial Liabilities

a) Measured at amortized cost

-Borrowings	9	6,491.84	6,491.84	2,776.00	2,776.00
-Lease liabilities	10	113.97	113.97	45.97	45.97
-Other financial liabilities	-	-	-	-	-
-Trade Payables	13	5,272.95	5,272.95	5,205.28	5,205.28
Total Financial Liabilities		11,878.76	11,878.76	8,027.25	8,027.25

5) Fair Value Measurement

Fair Value Hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature.

The fair value of RoU asset and lease liabilities has been determined on the basis of valuation carried out at the reporting date by registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017 and the same has been categorized as Level-3 based on the valuation techniques used and inputs applied. The lease liability has been determined at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application.

6) Financial risk management objectives

The Company aims at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations by having a system-based approach to risk management, anchored to policies and procedures of the Company. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with the applicable regulations.

Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

Particulars	(₹ in Lakhs)	
	As at 31.03.2023	As at 31.03.2022
(a) Value of Import on CIF Basis		
i) Capital Goods:		
- Cost of Machinery	-	312.93
- Custom Duty	-	21.83
- Freight and forwarding	-	12.66
Total	-	347.41
ii) Raw Materials & Spare parts		
- Raw Material Cost	145.89	5.48
- Custom Duty	12.80	0.65
- Freight and forwarding	8.18	2.06
Total	166.87	8.18
(b) Expenditure in Foreign Currency		
(i) Capital goods	-	-
(ii) Raw material & Spare parts	-	5.48
(iii) Others (Advance to supplier)	-	39.25
Total	-	44.72
(c) Earnings in foreign currency		
(i) Sales (Export)	2,920.96	1,409.81
Total	2,920.96	1,409.81

Credit Risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted.

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.








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Notes to the Financial Statements

7) Related Party Disclosures

1. List of Related Parties

i. Key Management Personnel

Lalit Kumar Gaur	Director (Executive), Resigned on 30.07.2022
Vipin Sharma	Managing Director
Upmanyu Pathak	Additional Director and CEO, Appointment w.e.f. 06.07.2022
Chetna	Chief Financial Officer, Appointment w.e.f. 26.05.2022
Neha Anuj	Company Secretary and Compliance Officer

ii. Enterprises where control exist by Key Management Personnel

Lemon Electronics Limited
Mridul Tobie INC (Prop. Mr. Vipin Sharma)
Pandokhar Food LLP
Goldie Tobie Limited

2. Disclosure of transactions with related parties and outstanding balances as at 31st March, 2023

(₹ in Lakhs)

	Transaction during the year		Closing balance as at	
	2022-23	2021-22	31.03.2023	31.03.2022
i) Lemon Electronics Limited				
Loan taken	-	1,323.25	-	1,323.25
Repayment of Loan	1,323.25	-	-	-
ii) Vipin Sharma				
Loan taken	-	5.00	2.00	5.00
Repayment of Loan	3.00	-	-	-
Remuneration	28.00	-	-	-
iii) Mridul Tobie INC				
Loan taken	5,683.95	-	955.55	-
Repayment of Loan	4,728.40	-	-	-
iv) Pandokhar Food LLP				
Loan taken	4,232.40	2,065.35	5,006.52	1,412.85
Repayment of Loan	638.73	652.50	-	-
v) Golden Tobie Limited				
Sales	74.56	-	-	-
Purchases	1,590.26	-	-	-
Purchase of PPE	830.72	-	-	-
Amount received against sales	181.82	-	-	-
Payment against purchases	2,678.15	-	-	-
vi) Lalit Kumar Gaur				
Remuneration	12.00	2.03	-	-
vii) Neha Anuj				
Remuneration	9.00	2.25	-	-
Salary advance	0.26	-	0.26	-
viii) Upmanyu Pathak				
Remuneration	14.60	-	-	-
ix) Chetna				
Remuneration	0.49	-	-	-

8) All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013.

9) Details of loans granted to Promoters, Directors, KMP's and Related Parties:

(a) Repayable on Demand

Type of borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans
Promoter	-	-
Directors	-	-
KMP's	-	-
Related Parties	-	-

(b) Without specifying any terms or period of repayment

Type of borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans
Promoter	-	-
Directors	-	-
KMP's	-	-
Related Parties	-	-







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Notes to the Financial Statements

10) The Company is not a declared wilful defaulter by any bank or Financial Institution or other lender.

11) The Company has not entered into any transactions with Companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

12) Financial Ratios

Ratio	Numerator	Denominator	As at 31.03.2023	As at 31.03.2022	% variance	Reason for variance
Current Ratio (in times)	Current Assets	Current Liabilities	0.78	1.51	(48.37)	due to increase in other current liability
Debt-Equity Ratio (in times)	Total Debt	Shareholder's Equity	(0.88)	7.09	(112.45)	Negative shareholders' fund due to losses in current year
Debt-Service Coverage Ratio (in times)	Earning for Debt Service = Net Profit before taxes + Non-cash operating expenses+Interest	Debt service = Interest & Lease Payments + Principal Repayments	(5.67)	0.13	(4,458.54)	due to loss in earning for debt services
Return on Equity (in %)	Net Profit after tax	Average Shareholder's Equity	-222.66%	12.00%	(1,955.53)	due to negative shareholders fund net profit after tax
Inventory Turnover Ratio (in times)	Sales	Average Inventory	1.87	1.26	48.73	due to increase in sales
Trade Receivable Turnover Ratio (in times)	Total Sales	Closing Trade Receivables	5.33	31.34	(82.99)	due to increase in trade receivable
Trade payables turnover ratio (in times)	Total Purchases	Closing Trade Payables	2.35	0.88	167.48	due to increase in purchases
Net Capital Turnover Ratio (in times)	Net Sales	Average working capital	(2.77)	0.73	(480.36)	due to negative working capital in current year
Net Profit Ratio (in %)	Net Profit after tax	Net Sales	-134.88%	2.25%	(6,098.15)	due to negative net profit after tax
Return on Capital Employed (in %)	Earning before interest and taxes	Capital Employed = Net Worth + Total Debt + Deferred Tax Liability	-891.71%	2.64%	(33,821.50)	due to loss in earning before interest and taxes and negative capital employed
Return on Investment (in %)	Income from investments	Weighted average investments	0.00%	0.00%	-	-

13) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other surplus or kind of funds) to any other person(s) or entity(ies) including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall 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 to or on behalf of the Ultimate Beneficiaries.

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Notes to the Financial Statements

- 14) The Company has not received any advance from any person(s) or entity(ies), including foreign entities (funding party) with the understanding that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of funding party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 15) The Company's net worth has been fully eroded. However, having regard financial support from its promoters, the financial statements have been prepared on the basis that the Company is a going concern and that no adjustments are required to the carrying value of assets and liabilities.
- 16) Some of the trade payables, Loans and Other Current Assets are subject to balance confirmation/ reconciliation at the year end. The management is in process of getting balance confirmation from the respective parties. However, reconciliation/ confirmation of these balances is not expected to result in any material adjustments in the stated balances.
- 17) The Company has moved an application for voluntary delisting of its securities from CSE on April 09, 2022. However, the trading in securities has been suspended by the Calcutta Stock Exchange Limited (CSE) w.e.f April 26, 2022 on account of non-payment of Annual Listing Fees.
- 18) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- 19) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- 20) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 21) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- 22) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- 23) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- 24) On the basis of the total income of the Company, the figures appearing in the financial statements have been rounded off to nearest lakhs. The previous year figures have been regrouped, rearranged and reclassified wherever necessary.

As per our report of even date attached

For V.N. PUROHIT & CO.

Chartered Accountants

FRN: 304040E



O.P. Pareek

Partner

M. No.: 014238

UDIN: 23014238BGXRRF5587



Vipin Sharma

Managing Director

DIN: 01739519

152, Shivani Apartments,
Plot No. 63,
I.P. Extension, Patparganj,
Delhi-110092

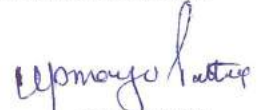


Chetna

Chief Financial Officer

PAN: AVEPC8499A

For and on behalf of the Board of Directors of
Elitecon International Limited

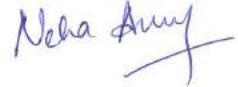


Upmanyu Pathak

Director and CEO

DIN: 06563100

31, P.G. Road Tiljala S.O.
Kolkata,
West Bengal Pincode-
700039



Neha Anuj

Company Secretary

M. No.: 48171

Date: 7th June, 2023

Place: New Delhi