

A stylized graphic of a bar chart with three bars of increasing height, integrated into the letters of the company name.

# SILSIL

**SHERVANI INDUSTRIAL**  
SYNDICATE LIMITED

# 76<sup>th</sup>

# ANNUAL REPORT 2023-2024





## BOARD OF DIRECTORS

### EXECUTIVE CHAIRMAN

Mr. Saleem Iqbal Shervani

### MANAGING DIRECTOR

Mr. Mustafa Rashid Shervani

### DIRECTOR (CORPORATE AFFAIRS)

Mr. Sadiq Husain Siddiqui

### DIRECTORS

Dr. Ashutosh Pratap Singh

Mr. Gopal Swarup Chaturvedi

Mr. Mohammad Aslam Sayeed

Ms. Aradhika Chopra

Mr. Raju Verghese

### CHIEF FINANCIAL OFFICER

Mr. Tahir Hasan

### COMPANY SECRETARY

Mr. S.K. Shukla

### AUDITORS

M/s P. L. Tandon & Co.

Chartered Accountants,

Kanpur

### BANKERS

State Bank of India

Union Bank of India

### REGISTERED OFFICE

Shervani Nagar,

Sulem Sarai, Harwara

Prayagraj - 211015

Uttar Pradesh

# Annual Report 2023-2024

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NOTICE is hereby given that the Seventy Sixth Annual General Meeting of the Members of Shervani Industrial Syndicate Limited will be held on Monday, the 30th September, 2024 at 11.30 A.M. at 2, New Cantonment, Kanpur Road, Prayagraj to transact the following business:

#### ORDINARY BUSINESS

1. To receive, consider and adopt:
  - a) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2024 together with the Reports of the Board of Directors and Auditors thereon; and
  - b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2024 together with the Report of the Auditors thereon.
2. To declare Dividend for the financial year ended on 31st March, 2024.
3. To appoint a Director in place of Mr. Sadiq Husain Siddiqui (DIN: 02125236) who retires by rotation and being eligible, offers himself for re-appointment.

#### SPECIAL BUSINESS

4. To appoint Mrs. Sheila Singh (DIN: 10731823) as an Independent Director of the Company and in this regard to consider and, if thought fit, to pass, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended, read with Articles of Association of the Company and the recommendation of the Board of Directors of the Company and Nomination and Remuneration Committee, Mrs. Sheila Singh (DIN: 10731823) who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and in respect of whom the Company has received notice in writing under Section 160(1) of the Act, from a member proposing her candidature for the office of an Independent Director, be and is hereby appointed as a Non- Executive Independent Director of the Company to hold office for a term of 5 (five) consecutive years with effect from 1st October, 2024.”

“RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of the SEBI Listing Regulations and other

applicable provisions of the Act and rules made thereunder, consent of the Company, be and is hereby accorded for continuation of Directorship of Mrs. Sheila Singh as Non-Executive Independent Director on the Board of the Company notwithstanding her attaining age of 75 (Seventy Five) years on 18th February, 2026 during the tenure of her appointment.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorised to do all acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. To appoint Mr. Kartik Singhal (DIN: 03025302) as an Independent Director of the Company and in this regard to consider and, if thought fit, to pass, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended, read with Articles of Association of the Company and the recommendation of the Board of Directors of the Company and Nomination and Remuneration Committee, Mr. Kartik Singhal (DIN: 03025302), who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and in respect of whom the Company has received notice in writing under Section 160(1) of the Act, from a member proposing his candidature for the office of an Independent Director, be and is hereby appointed as a Non- Executive Independent Director of the Company to hold office for a term of 5 (five) consecutive years with effect from 1st October, 2024.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorised to do all acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. To ratify the remuneration of the Cost Auditors for the financial year ending 31st March, 2025 and, in this regard, to consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies

(Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration payable to M/s. Shishir Jaiswal & Co., Cost Accountants (Firm Registration No. 102450) appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the Cost Records of the Company in respect of Real Estate Segment for the financial year ending 31st March, 2025 amounting to Rs. 40,000/- (Rupees Forty Thousand Only) plus taxes as applicable and re-imbursalment of actual travel/conveyance and out of pocket expenses incurred in connection with the aforesaid audit, as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified and confirmed.”

By Order of the Board  
For Shervani Industrial Syndicate Limited

S. K. Shukla  
Company Secretary

Place: Prayagraj

Date: August 06, 2024

#### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**  
Proxy in order to be effective must be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Annual General Meeting.
2. A person can act as proxy on behalf of members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. 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 shareholder.
3. A Statement pursuant to Section 102(1) of the Companies Act, 2013 setting out the material facts in respect of business under Item No. 4 to 6 as set out above is annexed hereto.
4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a scanned copy (PDF/JPG Format) of certified true copy of the relevant Board resolution under section 113 of the Companies Act, 2013 together with the specimen signature(s) of the representative(s) authorised under the said Board resolution to attend and vote on their behalf at the Meeting.
5. Members / Proxies are requested to bring their attendance slip duly filled in along with copy of Annual Report to the Meeting.
6. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.
7. In case of Joint Shareholders attending the Meeting, only such Shareholder who is higher in the order of names will be entitled to vote.
8. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the Members at the Registered office of the Company on all working days, except Saturdays, during business hours up to the date of the Annual General Meeting.
9. The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, 24th September, 2024 to Monday, 30th September, 2024 (both days inclusive).
10. The Notice of Annual General Meeting along with Annual Report for financial year 2023-2024, is available on the website of the Company at [www.shervaniind.com](http://www.shervaniind.com), on the website of Stock Exchange i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com). The physical copies of the aforesaid documents will also be available at the Company's Registered office for inspection during business hours.
11. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company's Registrar and Share Transfer Agent (RTA), M/s. Link Intime India Private Limited at C-101, 247-Park, L B S Marg, Vikhroli (West), Mumbai-400083 and through their website [www.linkintime.co.in](http://www.linkintime.co.in). In this regard, Members are requested to submit a signed request letter mentioning the Folio no., Name of shareholder, Address and e mail id along with a self-attested copy of PAN card.
12. The Dividend on Equity Shares, as recommended by Board of Directors, subject to the provisions of Section 126 of the Companies Act, 2013, if approved by the Members at the Annual General Meeting, will be paid, subject to deduction of Income-Tax at source (TDS) wherever applicable to those Members:
  - (a) Whose names appear as 'Beneficial Owners' as at the end of the business hours on 23rd September, 2024 in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited, in respect of Equity Shares held in dematerialised form; and
  - (b) Whose names appear on the Company's Register of Members after giving effect to valid share transfer request(s) lodged with the Company / its Registrar and Share Transfer Agent on or before the close of business hours on 23rd September, 2024, in respect of Shares held in physical form.

13. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their Residential Status, Category as per the Income-tax Act and PAN with the Company / RTA (in case of shares held in physical mode) and Depositories (in case of shares held in demat mode). A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to its RTA at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) or Link Intime India Private Ltd., C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai- 400083 by 23rd September, 2024. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to the Company or its RTA at email address mentioned above. The aforesaid declarations and documents need to be submitted by the shareholders latest by 23rd September, 2024.
14. Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013, dividend which remains unpaid / unclaimed in the Unpaid Dividend Account for a period of seven years from the date of transfer of the same, will be transferred to the Investor Education and Protection Fund established by the Central Government. The Members who have not encashed their dividend warrant(s) so far for the financial years 2017-18 (Interim) & 2017-18 (Final) are requested to lodge their claims with Registrar and Transfer Agents (RTA) or with the Company. Further, as per the provisions of Section 124 of the Companies Act, 2013, shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall also be transferred to the Investor Education and Protection Fund (IEPF) Authority. The Members, whose unclaimed dividend /shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in).
15. Members holding shares in electronic form are requested to intimate immediately any change in their Address or Bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company or its Registrar and Transfer Agents (Link Intime India Private Ltd., C-101, 247 Park, L. B. S. Marg, Vikhroli West, Mumbai-400083) ("RTA").
16. The Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrants / demand drafts/ Account Payee Cheques to such Members by postal services.
17. Pursuant to the Listing Regulations read with SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018, the Company is required to obtain the copy of PAN Card and Bank details from all the shareholders holding shares in physical form. Accordingly, in order to receive the dividend in a timely manner, members holding shares in physical form, who have not updated their Bank details for receiving the dividends, are requested to give their mandate for receiving dividend directly in their bank accounts by sending scanned copy of a duly signed request letter which shall contain shareholder's name, folio number, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details) alongwith the following documents at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) by 23rd September, 2024 :
- Self-attested copy of PAN Card of all the holders;
  - Original cancelled cheque leaf with name of member printed on it (if name is not printed, a copy of Bank Passbook/ Statement bearing name, duly attested by the Bank) and;
  - Self-attested copy of address proof (viz. aadhar, voter-id, passport, driving license, any utility bill not older than 3 months).
- Further to support "Green Initiative", members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Reports, Notices, Circulars etc. from the Company electronically.
18. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021 read with clarification issued vide Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated December 14, 2021 where it is clarified that ISR-3 & ISR-2 shall be used to update basic KYC details of Shareholders.
19. SEBI has introduced the Form ISR-1 for request relating to registration of PAN, KYC details or any changes / updation thereof. To avoid delay in receiving dividend, members holding shares in physical form, who have not updated their bank details for receiving the dividends, are requested to notify in writing their bank account details/ or any changes thereof in above mentioned

form along with requisite documents to Link Intime India Private Limited, Registrar of the Company. The format of Form ISR-1 is available on the website of the Company.

20. Members holding Shares in identical order of names in more than one folio are requested to write to the Company's Registrar & Share Transfer Agents, (Link Intime India Private Ltd., C-101, 247 Park, L. B. S. Marg, Vikhroli West, Mumbai- 400083) ("RTA") enclosing the Share Certificates for consolidation of their holdings into one folio.
21. The Equity Shares of the Company are compulsorily tradable in demat form. The Equity Shares of the Company have been assigned ISIN INE011D01013. In accordance with the proviso to Regulation 40(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from 1st April, 2019, transfer of shares of the Company shall not be processed (except in the cases of transmission or transposition of shares) unless the shares are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in various corporate actions.
22. The separate audited accounts of the subsidiary company are placed on website of the Company at <https://www.shervaniind.com>. The Company will provide physical copies of these documents to any member of the Company who asks for it. These documents are available for inspection at the Registered office of the Company during business hours on all working days (that is, except Sundays and Public Holidays) upto the date of the Meeting.
23. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in Form No. SH-13 prescribed under Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 which can be obtained from the Company or its RTA.
24. Members desirous of obtaining any information / clarifications, intending to raise any query concerning the annual accounts or operations of the Company, are requested to forward the same at least seven days prior to the date of meeting to the Company Secretary at the Registered office of the Company, so that the same may be attended appropriately.

#### **Voting through electronic means:**

25. In terms of the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended applicable Secretarial Standards and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015, the Company is providing its members the facility to exercise their right to vote by electronic means (remote e-voting) in respect of any or all businesses specified in the accompanying Notice and the business may be transacted through remote e-voting services. The necessary arrangements have been made by the Company with Central Depository Services Ltd ("CDSL") to facilitate e-voting. E-voting is optional and members shall have the option to vote either through e-voting or in person at the General Meeting. The instructions for shareholders voting electronically are as under:

#### **The remote e-voting facility will be available during the following voting period:**

**Commencement of remote e-voting:** From 10.00 A. M on Friday, 27th September, 2024 and

**End of remote e-voting:** Upto 5.00 P. M on Sunday, 29th September, 2024.

During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the 23rd September, 2024 (cut-off date) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

#### **Instructions relating to remote e-voting are as under:**

- (i) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09th December, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts / websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (ii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual

shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

| Type of Shareholders  | Login Method   |
|---|--|
| <b>Individual Shareholders holding securities in Demat mode with CDSL</b> | <ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol> |
| <b>Individual Shareholders holding securities in demat mode with NSDL</b> | <ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once</li> </ol>  |

the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

- 2) If the user is not registered for IDeAS e-Services, option to register is available at <https://eservices.nsd.com>. Select "Register Online for IDeAS" Portal or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
- 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

|   |  |
|---|--|
| <b>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</b> | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |
|---|--|

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

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

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

**(iii) Login method for e-Voting for shareholders other than individual shareholders holding shares in Demat form & Physical.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on Shareholders.
- 3) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) 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.
- 6) If you are a first time user follow the steps given below:

| For Physical shareholders and other than individual shareholders holding shares in Demat Form |   |
|---|---|
| PAN   | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul> |
| Dividend Bank Details or Date of Birth  | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>                 |

- iv) After entering these details appropriately, click on "SUBMIT" tab.
- v) Shareholders holding shares in physical form will then directly reach 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.
- vi) For Shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- vii) Click on the EVSN for the <Shervani Industrial Syndicate Limited> on which you choose to vote.
- viii) 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.
- ix) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- x) 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.
- xi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xiii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xiv) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to 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 a compliance user 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.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizers viz. M/s Siddiqui & Associates and to the Company at the email address shervaniind@rediffmail.com (designated email address by company), if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- If you have any queries or issues regarding attending e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.
- All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai-400013 or send an email to helpdesk.evoting@cdsl.com

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY / DEPOSITORIES.**

- (i) For Physical shareholders – please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
- (ii) For Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP). For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting.

**GENERAL INSTRUCTIONS:**

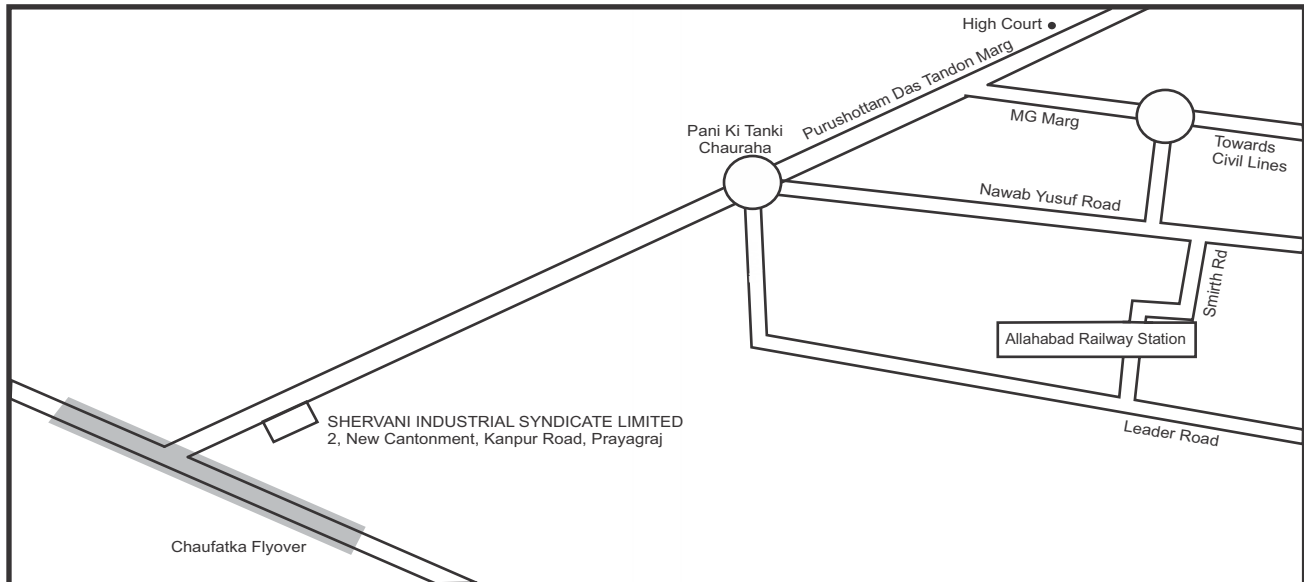
- i. The facility of voting through ballot paper shall also be made available at the Meeting. Members attending the Meeting, who have not already cast their vote by remote e-voting shall be able to exercise their right at the Meeting through ballot paper.
- ii. Members who have cast their vote by remote e-voting prior to the Meeting, may also attend the Meeting, but shall not be entitled to cast their vote again. Once a vote on a resolution is cast by the Member, the member shall not be allowed to change it subsequently or cast vote again.
- iii. The voting rights of the shareholders (for voting through remote e-voting or by ballot paper at the Meeting) shall be in proportion to their shares of the paid-up Equity share capital of the Company as on 23rd September, 2024 (the cut-off date).
- iv. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting in the general meeting. Any person who is not a member as on the cut-off date should treat this Notice for information only.
- v. Any person, who acquires shares of the Company and becomes member of the Company after 23rd August, 2024 i.e. BENPOS date considered for dispatch of the notice, and holding shares as on the cut off date i.e. 23rd September, 2024, may obtain the login Id and password by sending a request at helpdesk.evoting@cdsl.com.
- vi. M/s. Siddiqui & Associates, Practising Company Secretaries (Membership No. 2229 and Certificate of Practice No.- 1284) have been appointed as the Scrutinizer by the Company to scrutinize the remote e-voting process in a fair and transparent manner.
- vii. The Chairman shall, at the Annual General Meeting, 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 / Polling Paper” for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.
- viii. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two working days of the conclusion of the Annual General Meeting, a

consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman in writing, who shall countersign the same and declare the result of the voting forthwith.

ix. The results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company i.e. [www.shervaniind.com](http://www.shervaniind.com), immediately after the declaration of results by the Chairman. The results shall also be immediately forwarded to Stock Exchanges where the shares of the Company are listed.

26. As required under Listing Regulations and Secretarial Standards - 2 on General Meetings, the relevant details in respect of directors seeking appointment / re-appointment under Item No. 3, 4 and 5 of this Notice are as below:

**LOCATION MAP OF VENUE OF ANNUAL GENERAL MEETING**



## ANNEXURE TO NOTICE

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

**Item No. 4**

With a view to broad base the Board and to comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to composition of Board and appointment of Independent Director, the Board and the Nomination and Remuneration Committee has recommended to appoint Mrs. Sheila Singh (DIN: 10731823) as a Non-Executive Independent Director of the Company for a term of 5 (five) consecutive years w.e.f. 1st October, 2024, subject to the approval of shareholders of the Company.

Mrs. Sheila Singh, aged 73 years, an Art's graduate with honors in Economics. She is having vast and extensive experience in her field. She possesses the necessary skills and capabilities to act as an Independent Director which has been identified by the Board of Directors of the Company. Based on the attribute, the Nomination and Remuneration Committee has recommended the candidature of Mrs. Sheila Singh. In the opinion of the Board, Mrs. Sheila Singh fulfils the conditions specified under the Act, rules made thereunder and the SEBI Listing Regulations for her appointment as an Independent Director of the Company and is independent of the Company's management.

In accordance with sub-regulation (1A) of Regulation 17 of the SEBI Listing Regulations inserted by Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendments) Regulations, 2018, no listed entity shall appoint a person or continue the Directorship of any person as a Non-Executive Director who has attained the age of seventy-five years unless a Special resolution is passed to that effect. Mrs. Sheila Singh will attain the age of 75 (Seventy Five) years on 18th February, 2026, therefore, her continuance of office after attaining the age of 75 years would require approval of the Members by way of Special Resolution.

The Company has received notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Mrs. Sheila Singh as an Independent Director of the Company.

In compliance with Listing Regulations and Secretarial Standards-2 on General Meetings, the brief resume of Mrs. Sheila Singh is forming part of this notice.

Mrs. Sheila Singh has given her consent to act as Director and confirmed that she is not disqualified from being appointed as Director under sub-section 2 of Section 164 of the Companies Act, 2013 and she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations.

A copy of the draft Letter of Appointment for Independent Director is available for inspection at the Registered Office of the Company during business hours on any working day till the date of Annual General Meeting.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

Except Mrs. Sheila Singh herself, none of the Directors and/or Key Managerial Personnel of the Company and/or their

relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 4 of the Notice.

**Item No. 5**

With a view to broad base the Board and to comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to composition of Board and appointment of Independent Director, the Board and the Nomination and Remuneration Committee has recommended to appoint Mr. Kartik Singhal (DIN: 03025302) as a Non-Executive Independent Director of the Company for a term of 5 (five) consecutive years w.e.f. 1st October, 2024, subject to the approval of shareholders of the Company.

Mr. Kartik Singhal, aged 33 years, a B. Tech fellow in Mechanical Engineering is having a vast experience of over a decade. Apart from holding the position of Founder of Oxycure Private Limited, he has been associated with Zeco Aircon Limited, in top management of the Company. He holds various awards and recognition viz., CSR Award in 2017, Business Icon of India in 2021, Entrepreneur in August 2021 and Budding Entrepreneur of the year in September, 2021. He possesses the necessary skills and capabilities to act as an Independent Director which has been identified by the Board of Directors of the Company. Based on the skills and attributes, the Nomination and Remuneration Committee has recommended the candidature of Mr. Kartik Singhal. In the opinion of the Board, Mr. Kartik Singhal fulfils the conditions specified under the Act, rules made thereunder and the SEBI Listing Regulations for his appointment as an Independent Director of the Company and is independent of the Company's management.

The Company has received notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Kartik Singhal as an Independent Director of the Company.

In compliance with Listing Regulations and Secretarial Standards-2 on General Meetings, the brief resume of Mr. Kartik Singhal is forming part of this notice.

Mr. Kartik Singhal has given his consent to act as Director and confirmed that he is not disqualified from being appointed as Director under Section 164 of the Companies Act, 2013 and he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations.

A copy of the draft Letter of Appointment for Independent Director is available for inspection at the Registered Office of the Company during business hours on any working day till the date of Annual General Meeting.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

Except Mr. Kartik Singhal himself, none of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 5 of the Notice.

**Item No. 6**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Shishir Jaiswal & Co., Cost Accountants (Firm Registration No. 102450) as Cost Auditors to conduct the audit of the cost records of for the financial year ending 31st March, 2025 on the terms and conditions as set out in the resolution placed at Item No. 6 of the Notice. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company. Accordingly, consent of the members of the Company is being sought for passing the Ordinary Resolution as set out at Item

No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2025.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the members.

By Order of the Board  
For Shervani Industrial Syndicate Limited

S. K. Shukla  
Company Secretary

Place : Prayagraj

Date : August 06, 2024

**BRIEF PROFILE OF DIRECTOR SEEKING APPOINTMENT/ RE- APPOINTMENT**

| Particulars  | Mr. Sadiq Husain Siddiqui   | Mrs. Sheila Singh   | Mr. Kartik Singhal  |
|--|---|---|---|
| DIN  | 02125236  | 10731823  | 03025302  |
| Date of Birth / Age  | 1st January, 1948   | 18th February, 1951   | 10th September, 1991  |
| Date of Appointment on the Board   | 1st October, 2022   | 1st October, 2024   | 1st October, 2024   |
| Qualifications   | M. A. (Economics)   | Graduate (Economic Honours)   | B.Tech (Mechanical Engineering)   |
| Experience and expertise in specific functional area                               | Legal & Public Relations  | Public Relations  | Business Strategy & Planning  |
| Terms and conditions of Appointment  | As per resolution set out in the Notice & Company's policy on Nomination & Remuneration | As per resolution set out in the Notice & Company's policy on Nomination & Remuneration | As per resolution set out in the Notice & Company's policy on Nomination & Remuneration                         |
| Remuneration last drawn (in Rs.) per month   | Rs. 1,20,000/-  | NA  | NA  |
| Directorship in other Companies  | Capon Food Specialities Limited   | No Directorship   | 1-Oxycure Engineers Private Limited<br>2- Zeco Reality Developers Private Limited<br>3- Oxycure Private Limited |
| Chairman/Member of Committee of the Board of other Companies                       | NIL   | NA  | NIL   |
| Shareholding in Shervani Industrial Syndicate Limited                              | 150 Deferred Shares   | NIL   | NIL   |
| Relationship with other Directors / KMPs   | NA  | NA  | NA  |
| No. of Board Meetings attended by the Director during the Financial year 2023-2024 | 4   | NA  | NA  |

By Order of the Board  
For Shervani Industrial Syndicate Limited

S. K. Shukla  
Company Secretary

Place : Prayagraj  
Date : August 06, 2024

Dear Members,

Your Director's take pleasure in presenting the 76th Annual Report together with the Audited Financial Statements for the year ended on 31st March, 2024.

#### FINANCIAL RESULTS

| Particulars                          | (Rs. in Lakh) |
|--------------------------------------|---------------|
| Total Revenue                        | 14,174        |
| Profit before Depreciation           | 3,338         |
| Depreciation                         | 79            |
| Profit after Depreciation before tax | 3,259         |
| Tax Expense                          | 284           |
| Profit after Tax                     | 2,975         |
| Other Comprehensive Income           | 5             |
| Total Comprehensive Income           | 2,980         |

#### DIVIDEND

The Board of Directors have recommended Dividend of 200% on the Ordinary and Deferred shares which respectively is Rs. 20.00/- and Rs. 50.00/- on each share of the Company for the financial year ended on March 31, 2024.

#### OPERATION REVIEW

The construction activity of Group Housing project 'Victory Tower' is progressing satisfactorily, and we are very hopeful that we shall be able to achieve all milestones so as to uphold the commitments given to customers. In respect of the project 'Naman Homes' the execution of sale deeds in favour of the majority of customers is complete. The Company has also completed the Group Housing Project 'The Crescent' during the year as per the commitment given to the customers. In this project the execution of sale deeds in favour of the customers has also commenced.

We are pleased to inform that the Prayagraj Development Authority has sanctioned the Company's plan for setting up of a Multi Speciality 50 bed Hospital to be constructed within the premises of 'Shervani Legacy'. Pre-construction work has begun/commenced, with plans to expand the hospital to accommodate 50 more beds in the future. Simultaneously, the company is making efforts to diversify its business activities into other fields. During the year under review, the company successfully secured an IT contract from Maulana Azad National Urdu University, Hyderabad, to supply equipment and setting up an IT Data Center for an AR/VR Software Research and Development Lab in the university premises. This was part of a MeitY project aimed at developing an app for use by specially-abled children. This project has been successfully completed and handed over, and the company is actively seeking similar projects in the IT sector.

The Company's consistent adherence to delivery schedules and maintaining high standards in construction and quality has earned significant trust and confidence of customers, as

reflected in increased interest and enquiries. The management reassures shareholders that efforts will continue to uphold and enhance this goodwill, positively impacting sales.

#### MANAGEMENT DISCUSSION AND ANALYSIS

##### A. Business Overview, Industry Structure and Development

The default committed by some larger players of the real estate sector in Metro cities has adversely affected the public sentiment. The public sentiment is apprehensive and hesitant to commit themselves to any medium to long period financial impact resulting in a slow-down. Quite some time has passed and although the upswing is evident but the upswing requires more thrust to speed up for bringing in more customers and investment. On the positive side the slow down, with passage of time, has only increased the demand. The demand for housing by the salaried and middle class exists and stands unfulfilled and is waiting to be capitalized. The banking sector is actively facilitating the availability of housing loans to potential customers, which is expected to positively impact sales and demand in the real estate market. In light of the cautious public sentiment, the role of builders has become increasingly important. Builders are responsible for maintaining customer trust by adhering to cost controls and delivery schedules. Your Company has successfully upheld these commitments, earning significant goodwill and trust among customers. Due to the trust and goodwill already established, the Company does not foresee any problems in sales and is well-positioned to capitalize on the existing demand in the market.

##### B. Outlook on Opportunities, Threats Risks and Concern

Despite the adverse public sentiment in Metro cities and its cascading effect on the public at large the smaller cities continue to witness increasing demand due to migration of public. In the smaller cities the builders, usually are local have rapport and trust with customers. Your Company operates in a smaller city and enjoys a high level of trust and confidence among customers. The quality of construction and adherence to schedules have set your Company apart, making it a leading example in the industry. This strong reputation for delivering on promises positions your Company well to meet the growing demand. At the same time the public has increased its product consciousness both in terms of quality and the ability of the developer to maintain the delivery schedule. In this connection it would not be out of place to mention that company has earned sufficient goodwill and trust on both the said factors. Given the existing demand and your Company's ability to meet customer expectations, there is a strong potential for growth and prosperity. The Company is well-positioned to capitalize on the favorable conditions in market.

Another matter of concern to the developers and customers is increase in costs and scarcity of construction materials.

Increase in costs have negative impact on cost of projects, margins and the trust of public in the project and the builder. However both can be countered by adhering to the construction schedule and reducing wastage. Another factor of concern is the competition from other builders but on this count the reputation, goodwill and the ability to deliver on time ensures that the demand for our product is high.

#### C. Subsidiary Company

M/s Farco Foods Private Limited, the wholly owned subsidiary of your company is engaged in manufacture of biscuits on job work basis for M/s Surya Foods and Agro Limited for their "Priya Gold" brand. During the year under review the Company produced 5830 MT of biscuits and earned a profit of Rs. 14.21 lakh after tax. In our previous report, we had informed that the environment/climate around goat project site is not conducive to rearing of livestock. It was also informed that further investments in goat project is clouded with uncertainty. Under these circumstances it has been decided to sell off the live stock with the intent to close down the project.

#### D. Internal Financial Controls

The Company has an adequate system of internal control to ensure compliance with policies and procedures commensurate with the size and scale of operations. The internal audit work has been assigned to an independent firm of Chartered Accountant which evaluates the efficiency and adequacy of internal control systems. The internal audit reports and recommendations are reviewed by the Audit Committee of the Board.

#### E. Development in Human Resource and Industrial Relations

The Company maintains a very cordial relationship with its employees. They whole-heartedly support the management in all its activities and endeavors.

#### F. Research and Development

In view of the nature of business activities of the Company there is little scope for research and development work. The company is making all efforts to reduce costs by maintaining standards that benefit the consumers.

#### CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to Corporate Governance requirements set out by SEBI. The Company has complied with all mandatory requirements of Corporate Governance. A separate report on governance practices followed by the Company in compliance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on Corporate Governance along with a Certificate of Compliance from the Statutory Auditors is attached with the said separate report which forms integral part of this Director's Report.

#### EXTRACT OF ANNUAL RETURN

Pursuant to section 92(3) of the Companies Act, 2013 read with Rules thereunder and provisions of section 134(3)(a) of the Act, the Annual Return of the Company is available on website of the Company i.e. [www.shervaniind.com](http://www.shervaniind.com)

#### BOARD MEETINGS

The calendar of Meetings is prepared and circulated in advance to the Directors. During the year four (4) Board Meetings were convened and details of same are given in the Corporate Governance Report.

#### DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134 (3) of the Companies Act, 2013, the Directors state that;

- (i) in the preparation of the Annual Accounts, the applicable Indian accounting standards have been followed;
- (ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit and loss of the Company for that period;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors had 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; and
- (vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### NOMINATION & REMUNERATION

The Board on the recommendation of the Nomination & Remuneration Committee, make the appointment of Directors, senior management and fix their remuneration. Key Management Personnel are appointed by the Board

after consideration of their qualification and exposure to required fields. The details are stated in the Corporate Governance Report.

**RELATED PARTY TRANSACTIONS**

To provide transparency in management and ensure compliance with the provisions of various laws, the Audit Committee has provided guidelines to the Directors/Board. The guidelines inter alia provide for identification, manner of dealing, conduct and documentation of such transactions as per the provisions of the Companies Act and other applicable rules and regulations.

All related party transactions that were entered in to during the financial year were in the ordinary course of business and are disclosed at Note No. 35 attached to the standalone balance sheet and none of the transactions are of material nature and have no potential conflict with the interest of the Company.

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

There is nothing to report about the conservation of energy and technology absorption during the year. There is no foreign exchange earning and outgo.

**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Pursuant to provisions of section 135 of the Companies Act, 2013, a committee of Board of Directors has been formed and the member of the Committee are:

Mr. Saleem Iqbal Shervani

Mr. Mustafa Rashid Shervani

Mr. Mohammad Aslam Sayeed

The Report of Corporate Social Responsibility for the year 2023-24 is annexed herewith as Annexure-A and forms integral part of this Report.

**BOARD EVALUATION**

The Board carries out annual evaluation of its own performance, of the Directors individually as well of the working of its various Committees. The key areas for evaluation are the quality of deliberations and contribution towards performance and guidance to management. The Board of Directors expressed their satisfaction with the evaluation process.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of the section 152 of the Companies Act, 2013, Mr. Sadiq Husain Siddiqui (DIN-02125236), Director retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The Board recommended appointment of Mrs. Shiela Singh (DIN: 10731823) & Mr. Kartik Singhal (DIN: 03025302) as Independent Director of the Company subject to Shareholder's approval in the ensuing Annual General Meeting w.e.f.01.10.2024.

Pursuant to provisions of section 203 of the Companies Act, 2013 the Key Managerial Personnel of the Company are Mr. Mustafa Rashid Shervani, Managing Director, Mr. Tahir Hasan, Chief Financial Officer and Mr. S. K. Shukla, Company Secretary.

The Directors recommend all the resolutions placed before the Members relating to appointment of Directors for their approval.

**STATUTORY AUDITORS**

Pursuant to provisions of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014, M/s P. L. Tandon , Chartered Accountants has been appointed for term of 5 (Five) consecutive years from the conclusion of 74th Annual General meeting till the conclusion of 79th Annual General Meeting to undertake the statutory audit of the Company.

The Auditors' Report on the standalone and consolidated financial statements of the Company for the year ended March 31, 2024 forms part of this Annual Report. The Auditors' Report does not contain any qualifications, reservations, adverse remarks or disclaimer. Notes to the Financial Statements are self-explanatory and do not call for any further comments.

**SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 the Company has appointed M/s Siddiqui & Associates, Company Secretaries in Practice for financial year 2024-25 to undertake the Secretarial Audit of the Company. The Report of Secretarial Audit for the year 2023-24 is annexed herewith as Annexure -B and forms integral part of this Report.

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

Pursuant to Regulation 34(3) and Schedule V. Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Certificate regarding Non-Disqualification of Director, issued by M/s Siddiqui & Associates, Company Secretaries in Practice is annexed herewith as Annexure-C and forms integral part of this Report.

**INTERNAL AUDITOR**

The Board of Directors on the recommendation of the Audit Committee appointed M/s Rajeev Prem & Associates, Chartered Accountants, Kanpur to carry out the Internal Audit of the Company.

**COST AUDITORS**

Pursuant to the provisions of section 148 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment

thereof for the time being in force), M/s Shishir Jaiswal & Co., Cost Accountants (Firm Registration No. 102450) has been appointed as Cost Auditor for financial year 2024-25 and the Company is maintaining cost records as per the provision of "Act".

#### DEPOSITS

The Company has not accepted or renewed any deposit during the year falling within the ambit of Section 73 of the Companies Act 2013 and the Companies (Acceptance of Deposits) Rules 2014 accordingly no amount was outstanding as on the date of Balance Sheet.

#### CONSOLIDATED FINANCIAL STATEMENT

In accordance with the section 129(3) of the Companies Act, 2013 and the Ind AS-27 on consolidated financial statement(s) read with Ind AS-28 on accounting for investments in associates your Company has prepared the consolidated financial statements and annexed to this report. A Statement in form AOC-1 containing salient features of the financial statements of the subsidiary and associate companies are attached as Annexure-D.

#### DISCLOSURE UNDER RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014.

None of the employee of the Company was in receipt of total remuneration of Rs. 60,00,000/- per annum or Rs. 5,00,000/- per month during the financial year under review.

Disclosure required under section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration) Rules, 2014 have been annexed as Annexure F.

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

The Company has in place an anti sexual harassment policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013. Till date the company has not received any complaint there under.

#### UNCLAIMED DIVIDEND

In accordance with the provisions of Section 124 and 125 of the Companies Act, 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend which remains unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account shall be transferred by the company to the Investor Education and Protection Fund ("IEPF").

Further, the provisions of Section 124(6) of the Companies Act 2013, read with the IEPF Rules mandates companies to transfer all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more to the designated demat account of the IEPF Authority. The

Members whose dividend/shares are transferred to the IEPF Authority can claim their shares/dividend from the IEPF Authority by following the procedure prescribed in the IEPF Rules.

#### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of loans, guarantees and investments covered under the provisions of section 186 of the Companies Act, 2013 are given in the notes to the financial statements.

#### AUDIT COMMITTEE

The Company has an Audit Committee and details of constitution and terms of reference are set out in the Corporate Governance Report.

#### VIGIL MECHANISM

Pursuant to the provisions of the section 177 of the Companies Act, 2013 the Company has adopted Vigil Mechanism policy which also incorporates a whistle blower policy. Adequate safeguards are provided against victimization to those who avail the mechanism and access to the Chairman of the Audit Committee while reporting about unethical practices, malpractice and non-compliance of policies.

#### LISTING WITH STOCK EXCHANGE

The Equity shares of the Company are listed on Bombay Stock Exchange Limited. Further details are set out in the Corporate Governance Report.

#### REPORTING OF FRAUD

The Auditors of the Company have not reported any fraud to Audit Committee as stipulated under second proviso of section 143(12) of the Companies Act, 2013.

#### INDUSTRIAL RELATIONS

Industrial relations remained cordial during the period under review.

#### ACKNOWLEDGEMENTS

Your Directors wish to convey their deep sense of appreciation for the continued support, and co-operation extended by banks, Central and State Governments and all other Stakeholders. The Directors also wish to place on record their sincere appreciation for the commitment and enthusiasm of the employees for the Company.

For and on behalf of the Board

Mustafa Rashid Shervani  
Managing Director  
DIN : 02379954

Saleem I. Shervani  
Chairman  
DIN : 00023909

Place : Prayagraj  
Date : August 06, 2024



**Report on Corporate Social Responsibility (CSR) Activities/Initiatives for the year ended 31st March, 2024  
(Pursuant to Section 135 of the Companies Act, 2013 and Rule 9 of the Companies (Accounts) Rules, 2014)**

**1. Brief outline of CSR Policy of the Company.**

In terms of CSR Policy of the Company, the following areas have been identified:

- Promotion of Education.
- Promoting Gender Equality and empowering women.
- Eradicating hunger, poverty and malnutrition.
- Reducing Child Mortality and improving maternal health.
- Measures for the benefit of armed forces veterans, war widows and their dependents.
- Ensuring Environmental sustainability.
- Social Business Projects.
- Contribution to PM Relief Fund.
- Contribution or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
- Rural Development Projects.
- Slum Area Development.
- Health Care

**2. Composition of CSR Committee:**

The Corporate Social Responsibility Committee of the Company comprises three Directors, out of which one Director is independent. The Composition of CSR committee is as under:

| SL No. | Name of Director            | Designation/<br>Nature of<br>Directorship | Number of meetings<br>of CSR Committee<br>held during the year | Number of meetings<br>of CSR Committee<br>attended during the year |
|--------|-----------------------------|---|--|--|
| 1      | Mr. Mohammad Aslam Sayeed   | Chairman                                  | 4  | 3  |
| 2      | Mr. Saleem Iqbal Shervani   | Member                                    | 4  | 2  |
| 3      | Mr. Mustafa Rashid Shervani | Member                                    | 4  | 4  |

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

Composition of CSR committee: <https://shervaniind.com/committee/>

CSR Policy: <https://shervaniind.com/wp-content/uploads/2023/12/CSR-Policy-1.pdf>

CSR projects: <https://shervaniind.com/csr01/>

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). Not Applicable
5. Details of the amount available for setoff in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for setoff for the financial year, if any

| SL No. | Financial Year | Amount available for set-off<br>from preceding year<br>(Rs. in Lakh) | Amount required to be<br>set- off for the Financial<br>Year (2023-24), if any (Rs. in Lakh) |
|--------|----------------|--|---|
| 1      | 2022-23        | 0.53   | 0.21  |

6. Average net profit of the company as per section 135(5): 240.86 Lakh
- 7 (a) Two percent of average net profit of the company as per section 135(5): 4.82 Lakh
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
- (c) Amount required to be set off for the financial year, if any: 0.53 Lakh
- (d) Total CSR obligation for the financial year(7a+7b-7c):.4.29 Lakh

8. (a) CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year.<br>(Rs. in Lakh) | Amount Unspent (Rs. in Lakh)  |                  |  |        |                  |
|---|---|------------------|--|--------|------------------|
|   | Total Amount transferred to Unspent CSR Account as per section 135(6) |                  | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). |        |                  |
|   | Amount  | Date of transfer | Name of the Fund   | Amount | Date of Transfer |
| 4.50  | -   | -                | -  | -      | -                |

(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

| 1       | 2                   | 3  | 4                    | 5                        | 6        | 7                | 8   | 9  | 10  | 11                                       |  |                         |
|---------|---------------------|--|----------------------|--------------------------|----------|------------------|---|--|---|--|--|-------------------------|
| Sl. No. | Name of the Project | Item from the list of activities in Schedule VII to the Act. | Local area (Yes/No). | Location of the project. |          | Project duration | Amount allocated for the project (in Rs.) | Amount spent in the current financial Year (in Rs.). | Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.). | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency |                         |
|         |                     |  |                      | State                    | District |                  |   |  |   |  | Name   | CSR Registration Number |
|         |                     |  |                      |                          |          |                  |   |  |   |  |  |                         |

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

| 1       | 2                                       | 3  | 4                    | 5                        | 6         | 7  | 8   |  |                      |
|---------|---|--|----------------------|--------------------------|-----------|--|---|--|----------------------|
| Sl. No. | Name of the Project                     | Item from the list of activities in Schedule VII to the Act. | Local area (Yes/No). | Location of the project. |           | Amount spent in the current financial Year (Rs. in Lakh) | Mode of Implementation - Direct (Yes/No). | Mode of Implementation - Through Implementing Agency |                      |
|         |   |  |                      | State                    | District  |  |   | Name   | CSR Registration No. |
| 2       | Donation to NGO "Help for Rare Disease" | Health Care  | Yes                  | Uttar Pradesh            | Prayagraj | 4.50   | Yes                                       | -  | -                    |
| Total   |   |  |                      |                          |           | 4.50   |   | -  | -                    |

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: NIL

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 4.50 Lakh

(g) Excess amount for set off, if any:

| Sl. No | Particular  | Amount (Rs. In Lakh) |
|--------|---|----------------------|
| 1      | Two percent of average net profit of the company as per section 135(5)                                      | 4.82                 |
| 2      | Total amount spent for the Financial Year   | 4.50                 |
| 3      | Excess amount spent for the financial year [2-1]  | (0.32)               |
| 4      | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | 0.53                 |
| 5      | Amount available for set off in succeeding financial years [(iii)-(iv)]                                     | 0.21                 |

9. (a) Details of Unspent CSR amount for the preceding three financial years: Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NA

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). Not Applicable

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NA

**S. K. Shukla**  
Secretary  
CSR Committee

**Mustafa Rashid Shervani**  
Member  
CSR Committee

**Mohd. Aslam Sayeed**  
Chairman  
CSR Committee

## SECRETARIAL AUDIT REPORT

For the Financial Year ended 31<sup>st</sup> March 2024

[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,  
Shervani Industrial Syndicate Limited  
Shervani Nagar,  
Sulem Sarai Harwara,  
Prayagraj- 211015, UP

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Shervani Industrial Syndicate Limited having CIN No. L45202UP1948PLC001891 (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Shervani Industrial Syndicate Limited books, papers, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2024 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 Shervani Industrial Syndicate Limited for the financial year ended on 31st March 2024 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB);  
The Company has complied with the provisions, rules & regulations of FEMA to the extent applicable. The Company does not have any FDI, ODI and ECB during the period.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011  
The Company has complied with the provisions to the extent applicable during the year under review.

- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 –  
The company has complied with the provisions to the extent applicable during the year under review.
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;  
Not Applicable to the Company for the year under review.
- d. The Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines and the Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014.  
Not Applicable to the Company for the year under review.
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.  
Not Applicable to the Company for the year under review.
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.  
The Company has complied with the provisions to the extent applicable during the year under review.
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable to the Company for the year under review and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998  
The Company has complied with the provisions to the extent applicable during the year under review.
- vi. The Income Tax Act, 1961 and Rules made thereunder.
- vii. The Central Goods & Services Tax Act 2017, IGST & SGST.
- viii. The Real Estate (Regulation and Development) Act 2016 is also applicable to the Company.
- ix. The company has also complied with various provisions of Labour Laws, Environment Laws and other related laws to the extent applicable to the Company.  
I further report that, having regard to the compliance system prevailing in the Company and on examination of relevant documents and records in pursuance thereof, the Company has complied with other Acts, Regulations, Guidelines and Standards which are specifically applicable on the operation of the businesses of the Company. I have also examined compliance with the applicable clauses of the following:
  - The Secretarial Standards issued by the Institute of Company Secretaries of India as notified by Ministry of

- Corporate Affairs from time to time;
- The Listing Agreements entered into by the Company with The Bombay Stock Exchange Limited (BSE Limited)
  - SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).

Based on my examination and verification of records produced to us and according to the information and explanations given to me by the Company, in my opinion, the Company has complied with the provisions of the Companies Act, 2013, wherever applicable and Rules made thereunder and Memorandum and Articles of Association of the Company with regard to:

- a. Maintenance of statutory registers and documents and making necessary entries therein.
- b. Filing of the requisite forms, returns, documents applications and resolutions as applicable and required with the Registrar of Companies, and such other authorities within the time prescribed or within the extended time with additional fee as prescribed under the Act and Rules made thereunder;
- c. Service of Documents by the Company to its Members, Auditors, Directors, Stock Exchanges, and the concerned Registrar of Companies.
- d. Convening and holding of the meetings of the Board, Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholder Relationship Committee.
- e. Convening and holding of the 75th Annual General Meeting on September 30, 2023.
- f. Minutes of the proceedings of General Meeting, Board Meeting(s), Board's Committees Meeting(s) were properly recorded in loose leaf form, which are being bound in a book form at regular intervals.
- g. Disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other companies and interest in other entities by the Directors.
- h. Disclosure requirements in respect of their eligibility for appointment, declaration of their independence, compliance with the code of conduct for Directors and Senior Management Personnel as per the applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, respectively.
- i. Establishing a policy on Related Party Transactions and hosting the same on the website of the Company.
- j. Appointment and remuneration of Statutory Auditor, Secretarial Auditor, Cost Auditor and Internal Auditor of the Company.
- k. Report of the Board of Directors.
- l. Transfer of amounts as required under the Act to the Investor Education and Protection Fund.
- m. Approval of members, Board and its Committees, Government Authorities, wherever required.
- n. Borrowing and registration, modification and satisfaction of charges, wherever applicable.

- o. There are adequate systems and processes in the Company that commensurate with the size and operations of the Company to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.
- p. Form of Balance Sheet, Statement of Profit and Loss and disclosures made therein are as per the Schedule III & Ind AS applicable;

- q. Key Managerial Personnel as per Section 203 the Act,

During the financial year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as aforesaid.

We further report that

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including Women Director.
2. 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 and a system exist for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. All the decisions of the Board and Committees of Board have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be and none of the Director had requested noting his dissent in any matter.
4. The Directors have disclosed their interest and concerns in contracts and arrangements, shareholdings and directorships in other companies and interests in other entities as and when required and their disclosures have been noted and recorded by the Board.

For Siddiqui & Associates  
Company Secretaries

K.O. SIDDIQUI  
FCS 2229 : CP 1284  
UDIN F002229F000457926  
Peer Review Certificate No. 2149/2022  
Firm Registration No. S1988DE004300

Place : New Delhi  
Date : May 24, 2024

Annexure - C

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS***(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,  
The Members,  
Shervani Industrial Syndicate Limited  
Shervani Nagar  
Sulem Sarai Harwara  
Prayagraj-211015

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Shervani Industrial Syndicate Limited having CIN No. L45202UP1948PLC001891 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V, Para C, Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

| S. No. | Name of Directors           | Designation          | DIN      | Date of Appointment in the Company |
|--------|-----------------------------|----------------------|----------|------------------------------------|
| 1.     | Mr. Saleem Iqbal Shervani   | Chairman             | 00023909 | 03.04.1998                         |
| 2.     | Mr. Mustafa Rashid Shervani | Managing Director    | 02379954 | 10.08.2022                         |
| 3.     | Mr. Gopal Swarup Chaturvedi | Independent Director | 00148434 | 12.01.2000                         |
| 4.     | Mr. Raju Verghese           | Director             | 01086812 | 27.01.2007                         |
| 5.     | Mr. Sadiq Husain Siddiqui   | Whole Time Director  | 02125236 | 01.10.2019                         |
| 6.     | Dr. Ashutosh Pratap Singh   | Independent Director | 05354321 | 14.08.2012                         |
| 7.     | Mr. Mohammad Aslam Sayeed   | Independent Director | 06652348 | 06.08.2013                         |
| 8.     | Ms. Aradhika Chopra         | Independent Director | 08778574 | 31.07.2020                         |

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

For Siddiqui & Associates  
Company Secretaries

K. O. Siddiqui  
FCS 2229; CP 1284  
UDINF002229F000514554  
Peer Review Certificate No. 2149/2022  
Firm Registration No. S1988DE004300

Place: New Delhi  
Date : June 01, 2024

## Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the Financial Statement of Subsidiaries/Associate Companies /Joint Ventures****Part "A" : Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts Rs. in Lakhs)

**Name of Subsidiary - Farco Foods Private Limited**

|                         |   |          |
|-------------------------|---|----------|
| Reporting Currency      | : | INR      |
| Share Capital           | : | 90.00    |
| Reserves and Surplus    | : | (213.32) |
| Total Assets            | : | 600.80   |
| Total Liabilities       | : | 724.12   |
| Investments             | : | NIL      |
| Turnover / Total Income | : | 497.36   |
| Profit Before Tax       | : | 19.25    |
| Provision for Tax       | : | 5.04     |
| Profit after Tax        | : | 14.21    |
| Proposed Dividend       | : | NIL      |
| % of Shareholding       | : | 100%     |

**Part "B" : Associates and Joint Ventures****Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

| Sr. No. | Name of Associate                  | Shares of Associates held by the Company at the end of the Year |               |  |                     |   | Profit/(Loss) for the Year                 |                                 |   |  |
|---------|------------------------------------|---|---------------|--|---------------------|---|--|---------------------------------|---|--|
|         |                                    | Latest Audited Balance Sheet date                               | No. of Shares | Amount of Investment in Associate (Rs. In Lakhs) | Extent of Holding % | Net worth attributable to Shareholding as per latest Balance Sheet (Rs. In Lakhs) | Considered in Consolidation (Rs. In Lakhs) | Not Considered in Consolidation | Description of how there is significant influence | Reason why Associate is not considered |
| 1.      | Star Hotels Private Limited        | 31.03.2024  | 2265750       | 881.43   | 35.40%              | 2314.55   | 95.38                                      | Nil                             | 35.40% Shares Held                                | NA                                     |
| 2.      | Youngtronics India Private Limited | 31.03.2024  | 85000         | -  | 46.33%              | -   | -  | Nil                             | 46.33 Shares Held                                 | Refer Note                             |

**Note :** 100 % Provision has been made in earlier years against Investment in Associate, therefore No Loss has been considered.

## DETAILS PERTAINING TO REMUNERATION

[Information pursuant to section 197 (12) of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Remuneration Personnel) Rules, 2014]

- (1) The percentage increase in remuneration of each Director, Chief Financial Officer and KMP during the Financial Year 2023-24, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2023-24 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the company are as under:

| Sl. No. | Name of the Director/ KMP and Designation        | Remuneration* of Director/KMP for the financial year 2023-24 (Rs. in Lakh) | % increase in remuneration in the financial year 2023-24 | Ratio of remuneration of each Director/KMP to median remuneration of Employee | Comparison of the remuneration of the KMP against the performance of the Company |
|---------|--|--|--|---|--|
| 1.      | Mr. Mustafa Rashid Shervani<br>Managing Director | 51.00  | -  | 10.20   | Please refer sub-clause (5) of this annexure                                     |
| 2.      | Mr Tahir Hasan<br>Chief Financial Officer        | 3.50   | 16.67  | 0.70  |  |
| 3.      | Mr. Sadiq Husain Siddiqui<br>Whole Time Director | 8.75   | 14.82  | 1.75  |  |
| 4.      | Mr S. K. Shukla<br>Company Secretary             | 3.33   | 20.21  | 0.67  |  |

\*NOTE: Director's sitting fee and perks have not been considered for the purpose of remuneration  
Remuneration has been calculated on actual receipt basis and excludes any retirement and other benefit accrued but not paid.

- (2) The median remuneration of Employees of the company during the financial year was Rs. 5 lakh p.a.  
(3) In the financial year there was an increase of 13.60 % in the median remuneration of Employees.  
(4) There were 32 no. of permanent Employees on the rolls of the Company as on 31st March, 2024.  
(5) Relationship between average increase in remuneration and Company performance: While increase in the remuneration consideration was given to cost of living and inflation.
- (6) (a) Employed throughout the year and were in receipt of remuneration at the rate of not less than Rs. 60,00,000 p.a. : NIL  
(b) Employed for a part of the year and were in receipt of remuneration at the rate of not less than Rs. 5,00,000 p.m. : NIL

**Pursuant to Reg. 27(2) of SEBI (LODR), 2015**

This Report is furnished in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Auditors Certificate on Corporate Governance, as prescribed, is also attached. Further this Report also discloses relevant information in terms of section 134(3) of the Companies Act, 2013 and forms an integral part of the Board's Report to the Shareholders.

**1. COMPANY'S PHILOSOPHY**

The Company's philosophy on Corporate Governance is to enhance the long-term economic value of the Company. The Company constantly endeavours to enhance the value for its shareholders, other stakeholders and the society at large by adopting better corporate practices in fair and transparent manner. Your Company continues to follow procedures and practices which are in conformity with the code of corporate governance outlined in the LODR Regulations, 2015.

Our Corporate Governance framework ensures that we make timely disclosures and share accurate information regarding our financials and performance, as well as the leadership and governance of the Company. The Company has complied with the requirements of Corporate Governance as laid down under the LODR Regulations, 2015.

**2. BOARD OF DIRECTORS****2.1 Composition as on 31.03.2024**

The Board comprises Non Independent Executive Chairman, Managing Director, One Whole Time Director and Five Non-Executive Directors, out of which Four are independent including one Woman Director. The Directors are professionals, have expertise in their respective functional areas and bring a wide range of skills and experience to the Board. The composition of the Board as on 31st March 2024 is as under;

| Category                      | No. of Director |
|-------------------------------|-----------------|
| Promoter Directors- Executive | 2               |
| Executive Directors           | 1               |
| Independent Directors *       | 5               |
| Total                         | 8               |

\*Out of which 4 Directors were appointed as Independent Directors u/s 149 of the Companies Act, 2013

**2.2 Profile of Directors****(i) Mr. Saleem Iqbal Shervani (Chairman, Promoter & Non-Independent) DIN: 00023909**

Mr. Saleem Iqbal Shervani is well known personality in industrial and political circles. He is an industrialist by profession. He is a graduate in Economics (Gold Medallist). He has been Member of Lok Sabha several times from Budaun Parliamentary constituency of Uttar Pradesh. He has also been Member of Union Cabinet holding charge of Ministry of Health and Family Planning and as State Minister in Ministry of External Affairs and also been a Member of several Parliamentary Committees. He has also been honoured with Indira Gandhi Unity Award for his services, achievements, and contribution to society. He is on the Board of subsidiary company and other companies. He was reappointed in current term as Whole time Director designated as Executive Chairman of the Company for a period of 3 (Three) years with effect from 10.08.2022.

**(ii) Mr. Mustafa Rashid Shervani (Managing Director, Promoter & Non-Independent) DIN: 02379954**

Mr. Mustafa Rashid Shervani is a graduate from the American International University, London in 2004. He worked as Chief General Manager (Business Planning and Strategy) of the Company since 2014. Under his leadership, the Company is developing a planned township named as 'Shervani Legacy', in Prayagraj and the Company had successfully completed various projects comprising Residential Plots, Group Housing project named as Tara Towers, Naman Homes and another Group Housing for the weaker sections of Society within the premises of said township. He was appointed in current term as Managing Director on 10.08.2022 for a period of five years.

**(iii) Mr. Sadiq Husain Siddiqui (Whole-time Director, Non-Independent) DIN: 02125236**

Mr Sadiq Husain Siddiqui is a Post graduate. He has a vast experience in Legal, Defence and Public relation. He is associated with the Company since 1970 and served the Organisation at various positions. He is very well known social



activist in Prayagraj and has been awarded President's Medal twice for his meritorious and distinguished services. He is also Deputy Chief Warden of Civil Defence, Prayagraj and actively participates in volunteer work through Civil Defence. He was appointed as Whole-time Director designated as Director (Corporate Affairs) of the Company with effect from 01.10.2022 for period of 3 years.

**(iv) Mr. Gopal Swarup Chaturvedi (Independent, Non-Executive) DIN: 00148434**

Mr. Gopal Swarup Chaturvedi is a law graduate. He is a designated Senior Advocate practicing in Hon'ble High Court of Judicature at Prayagraj (Allahabad). He is a prominent and renowned lawyer in criminal matters. He joined the Board in January 2000 and was re-appointed as Independent Director in current term on 30.09.2019 and his tenure will expire upon conclusion of 76th Annual General Meeting.

**(v) Mr. Mohd. Aslam Sayeed (Independent, Non-Executive) DIN: 06652348**

Mr. Mohd. Aslam Sayeed is graduate in law. He is a prominent businessman of Prayagraj dealing in timber and furniture. He joined the Board in August 2013 and was re-appointed as Independent Director in current term on 30.09.2019 and his tenure will expire upon conclusion of 76th Annual General Meeting.

**(vi) Mr. Raju Verghese (Non-Executive) DIN: 01086812**

Mr. Raju Verghese is a graduate. He superannuated from the company after more than 35 years of service. He was General Manager in charge of Finance, Indirect and Direct taxes, and Company Law matters. He specialises in Indirect Taxes-Excise law matters. He joined the Board in January 2007 and was re-appointed in current term on 30.09.2019, liable to retire by rotation.

**(vii) Ms. Aradhika Chopra, Women Director (Independent & Non-Executive) DIN: 08778574**

Ms. Aradhika Chopra is a Graduate and expert in Yoga & Fitness routines. She is a certified LesMills Instructor. She was National Gold Medalist in Athletics and Basketball. She is working closely for preservation of art, culture & environment. She was Member of Faculty for the "I am She Miss Universe Pageant" conducted by Ms. Sushmita Sen, former Miss Universe. She joined the Board in 2020 and was appointed as Independent Director in current term on 30.09.2020 and her tenure will expire upon conclusion of 77th Annual General Meeting.

**(viii) Dr. Ashutosh Pratap Singh (Chairman, Independent, Non-Executive) DIN: 05354321**

Dr. A.P. Singh is a Medical Practitioner by profession. He is a post graduate and his field of expertise is General Medicine. He is widely acclaimed for his professional work. He is also associated with many cultural activities. He joined the Board of the Company in August 2012 and was re-appointed in current term as Independent Director on 30.09.2019 and his tenure will expire upon conclusion of 76th Annual General Meeting.

**2.3 Director's resigned during the Year**

None of Directors has resigned during the year.

**2.4 Appointment / Re-appointment of Director**

Mr. Sadiq Husain Siddiqui (DIN-02125236), Director is re-appointed on the basis of rotation in accordance with Memorandum & Articles of Association.

**2.5 Board Meetings**

During the Financial Year ended on 31st March, 2024, Four Board Meetings were held on 30th May 2023, 14th August 2023, 08th November 2023, 14th February 2024 & an adjourned Board Meeting dated 21st February 2024 which was held in continuation to meeting held on 14.02.2024. The details of Directors' attendance at Board Meeting, Annual General Meeting, and details of their interest, association or membership in other Companies and Committee(s) as on 31st March, 2024 is given below:

| Name of Director               | Designation              | Category                  | Attendance at |     | No. of outside Director-ship* | No. of other Board Committees |          | Relationship                | No. of Shares |
|--------------------------------|--------------------------|---------------------------|---------------|-----|-------------------------------|-------------------------------|----------|-----------------------------|---------------|
|                                |                          |                           | Board Meeting | AGM |                               | Member                        | Chairman |                             |               |
| Mr. S. I. Shervani             | Chairman                 | Executive                 | 3             | X   | 1                             | Nil                           | Nil      | Father of Mr. M.R. Shervani | 483639        |
| Mr. M. R. Shervani             | Managing Director        | Executive                 | 4             | Yes | Nil                           | Nil                           | Nil      | Son of Mr. S. I. Shervani   | 76575         |
| Mr. Sadiq Husain Siddiqui      | Director (Corp. Affairs) | Executive                 | 4             | Yes | 1                             | Nil                           | Nil      | -                           | 0             |
| Mr. Raju Verghese <sup>#</sup> | Director                 | Independent Non-Executive | 1             | X   | Nil                           | Nil                           | Nil      | -                           | 540           |
| Dr. A. P. Singh                | Director                 | Independent Non-Executive | 4             | X   | Nil                           | Nil                           | Nil      | -                           | 500           |
| Mr. G. S. Chaturvedi           | Director                 | Independent Non-Executive | 4             | Yes | Nil                           | Nil                           | Nil      | -                           | 800           |
| Mr. Mohd. Aslam Sayeed         | Director                 | Independent Non-Executive | 3             | Yes | Nil                           | Nil                           | Nil      | -                           | 0             |
| Ms. Aradhika Chopra            | Director                 | Independent Non-Executive | 4             | Yes | Nil                           | Nil                           | Nil      | -                           | 0             |

\*This excludes directorship held in Private Companies

# Resigned after the close of Financial Year.

Particulars of Director's being re-appointed by rotation are provided in the notice of Annual General Meeting.

### Separate meeting of Independent Directors / Evaluation of Board's performance

As per the provisions of Companies Act, 2013 and Clause 25 of the LODR Regulations a separate meeting of the Independent Directors of the Company was held on 14th February, 2024 to review the working of the Non-Independent Directors, Executive Directors and the Board as a whole by considering the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably discharge its duties.

Performance evaluation of the Board, the Board Committees and the individual Directors was carried out also by the Board in accordance with the policy approved by the Nomination & Compensation Committee.

### Agenda and Information to the Board

Agenda papers are generally circulated seven days prior to the Board Meeting. The Board Members in consultation with the Chairman may bring up any matter for the consideration of the Board. Price sensitive information is provided before the start of meeting with the consent of Chairman.

All Statutory and other significant & material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the company in terms of Company's Governance Policy.

### Invitees & Proceedings

The Company Secretary assists the Chairman in conducting the meeting and also acts as the Secretary. Senior Executives are also invited to provide inputs on agenda items under discussion whenever required. The Managing Director or the CFO presents the quarterly/half yearly/yearly results of operation. The Chairman of various Committees brief the Board on all matters discussed and decided in respective Committees.

During the current year no Board meeting was conducted through video or other audio-visual means. The Board reviews compliance reports of all laws applicable to the Company and takes proactive steps to guard against slippages and adopts remedial measures as deemed appropriate. Draft minutes are circulated to all members of the Board to confirm or comment on the proceedings of the meeting.

## 2.6 Other Directorship

The details of other directorships held by the Directors on the Board of other Companies are provided in the table given above at sr. no. 2.5

## 2.7 Familiarization Programme of the Independent Directors'

In accordance with the provisions of LODR Regulations, 2015 the Company conducted a Familiarization programme for the Independent Directors of the Company wherein they were made familiar with the various provisions of the Companies Act, 2013 in respect of role, rights, duties and responsibilities of the Independent Director, nature of industry, environment in which the Company operates, business model of the Company and statutory compliance management and Independent to the Company.

No Independent Directors were resigned before the expiry of his/her tenure during the reported financial year.

**3. SENIOR MANAGEMENT AND CHANGES, IF ANY**

Pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, Senior Management shall mean officers/personnel of the Company who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board).

Therefore, the Senior Management of the Company comprise of:

| Sr. No. | Name                    | Designation                                 |
|---------|-------------------------|---|
| 01.     | Mr. Syed Mohsin Ibrahim | General Manager (Administration)            |
| 02.     | Mr. Syed Zafar Subhan   | General Manager (Business & Development)    |
| 03.     | Mrs. Salma Hasan        | General Manager                             |
| 04.     | Mr. Yasser Niaz Hasan   | General Manager (Project)                   |
| 05.     | Mr. Bal Krishna Misra   | Deputy General Manager (Finance & Accounts) |

**4. AUDIT COMMITTEE**

- |    |                             |          |                           |
|----|-----------------------------|----------|---------------------------|
| a. | Mr. Mohammad Aslam Sayeed   | Chairman | Independent Non-Executive |
| b. | Mr. Gopal Swarup Chaturvedi | Member   | Independent Non-Executive |
| c. | Dr. Ashutosh Pratap Singh   | Member   | Independent Non-Executive |

**Terms of Reference**

The terms of reference of the Audit Committee are in conformity with Regulation 18 of the SEBI (LODR) Regulation, 2015 and section 177 of the Companies Act, 2013. The terms of reference inter-alia has responsibilities of monitoring financial reporting processes, reviewing the Company's statutory and internal audit activities, qualification remark of auditors, financial strategies, review the quarterly and annual financial statements before submission to the Board, ensure compliance of regulatory guidelines, financial policies and practices and review of significant related party transactions as per Indian Accounting Standard 18. Mr. S. K. Shukla, Company Secretary of the Company acts as the Secretary to the Committee.

The Committee Meetings were held on 30th May 2023, 14th August 2023, 08th November 2023 and 14th February 2024.

**Attendance at Audit Committee during the Year**

| Sl. No. | Members                     | Meetings Held | Meeting Attended |
|---------|-----------------------------|---------------|------------------|
| 1.      | Mr. Mohammed Aslam Sayeed   | 4             | 3                |
| 2.      | Mr. Gopal Swarup Chaturvedi | 4             | 4                |
| 3.      | Dr. Ashutosh Pratap Singh   | 4             | 4                |

**5. NOMINATION & REMUNERATION COMMITTEE**

- |    |                             |             |                           |
|----|-----------------------------|-------------|---------------------------|
| a. | Ms. Aradhika Chopra         | Chairperson | Independent Non-Executive |
| b. | Mr. Gopal Swarup Chaturvedi | Member      | Independent Non-Executive |
| c. | Mr. Mohammad Aslam Sayeed   | Member      | Independent Non-Executive |

The Committee recommends the appointment, re-appointment and remuneration payable to Executive Directors, key managerial personnel and senior management. Mr. S. K. Shukla, Company Secretary of the Company acts as the Secretary to the Committee.

The Committee Meetings were held on 30th May 2023, 14th August 2023, 08th November 2023 and 14th February 2024.

| Sl. No. | Members                     | Meetings Held | Meeting Attended |
|---------|-----------------------------|---------------|------------------|
| 1.      | Ms. Aradhika Chopra         | 4             | 4                |
| 2.      | Mr. Gopal Swarup Chaturvedi | 4             | 3                |
| 3.      | Mr. Mohammad Aslam Sayeed   | 4             | 4                |

**Nomination & Remuneration Policy**

The Company has a Nomination & Remuneration policy in place which is designed to enhance the value of performance.

The Remuneration/Compensation/Increments to the Executive Director, Whole Time Director and KMP is considered by the Committee and thereafter as and when required the recommendations of the Committee are placed before the Board. Approval of Shareholders is taken under the provisions of the Companies Act, 2013 and Schedule V, as and when required. The policy also provides for the identification and evaluation of the personnel eligible for Directorship.

Performance evaluation of the Board, the Board Committees and the Individual Directors (Non- Independent & Independent) was carried out by the Board in accordance with the policy approved by the Nomination & Remuneration Committee.

**6. EXECUTIVE DIRECTOR COMPENSATION****PECUNIARY RELATIONSHIP**

In compliance of Ind AS-24, transactions with related parties and Non- Executive Directors have been furnished under Note No. 35 of Notes to the Accounts of the Financial Statements.

**REMUNERATION TO EXECUTIVE DIRECTORS**

(Rs. In Lakhs)

| Sl. No. | Name and Designation                             | Salary | Perquisites | Contribution to PF # | Total | Sitting Fee | Total |
|---------|--|--------|-------------|----------------------|-------|-------------|-------|
| 1.      | Mr. Saleem Iqbal Shervani<br>Chairman            | -      | -           | -                    | -     | 0.75        | 0.75  |
| 2.      | Mr. Mustafa Rashid Shervani<br>Managing Director | 51.00  | 0.40        | 4.32                 | 55.72 | 1.00        | 56.72 |
| 3.      | Mr. Sadiq Husain Siddiqui<br>Whole Time Director | 8.75   | 0.40        | -                    | 9.15  | 1.00        | 10.15 |

Note: Board has recommended commission of Rs. 95 Lacs payable to Mr. Mustafa Rashid Shervani, Managing Director of the Company keeping view the performance of the Company.

**7. REMUNERATION TO NON-EXECUTIVE DIRECTORS AND THE SHARES HELD BY THEM**

The Non-Executive Directors were paid sitting fees for attending Board Meetings. No sitting fee is paid to the Directors for attending the Committee meetings. The details of payment made towards sitting fees alongwith respective shareholding of each director is furnished hereunder:

(Rs. In Lakhs)

| S.No. | Name                 | Category        | Sitting Fees | Commission | Total | No. of Shares |
|-------|----------------------|-----------------|--------------|------------|-------|---------------|
| 1.    | Dr. A. P. Singh      | Independent     | 1.00         | Nil        | 1.00  | 500           |
| 2.    | Mr. G. S. Chaturvedi | Independent     | 1.00         | Nil        | 1.00  | 800           |
| 3.    | Mr. M. A. Sayeed     | Independent     | 0.75         | Nil        | 0.75  | Nil           |
| 4.    | Mr. Raju Verghese    | Non - Executive | 0.25         | Nil        | 0.25  | 540           |
| 5.    | Ms. Aradhika Chopra  | Independent     | 1.00         | Nil        | 1.00  | Nil           |

**8. STAKE HOLDERS RELATIONSHIP / GRIEVANCE COMMITTEE**

- |    |                             |          |                           |
|----|-----------------------------|----------|---------------------------|
| a. | Mr. Mohammad Aslam Sayeed   | Chairman | Independent Non-Executive |
| b. | Mr. Gopal Swarup Chaturvedi | Member   | Independent Non-Executive |
| c. | Dr. Ashutosh Pratap Singh   | Member   | Independent Non-Executive |
| d. | Ms. Aradhika Chopra         | Member   | Independent Non-Executive |

The Committee specifically looks into issues / grievances relating to investors including share related matters and redressal thereof. Mr. S. K. Shukla, Company Secretary of the Company acts as the Secretary to the Committee & Compliance Officer of the Company.

During the year under review few cases of non-receipt of dividend, share certificates were reported and the same were addressed to the satisfaction of Members. No complaints remain pending at the end of the financial year.

The Committee Meetings were convened on 07th April 2023, 27th April 2023, 09th May 2023, 26th May 2023, 08th June 2023, 28th June 2023, 11th July, 2023, 28th July 2023, 09th August 2023, 24th August 2023, 06th September 2023, 23rd September 2023, 10th October 2023, 25th October 2023, 09th November 2023, 27th November 2023, 06th December 2023, 23rd December 2023, 05th January 2024, 24th January 2024, 06th February 2024, 23rd February 2024, 07th March 2024 & 23rd March 2024.

**Attendance at Stake Holder Relationship / Grievance Committee during the Year**

| Sl. No. | Members                     | Meetings Held | Meeting Attended |
|---------|-----------------------------|---------------|------------------|
| 1.      | Mr. Mohammed Aslam Sayeed   | 24            | 21               |
| 2.      | Mr. Gopal Swarup Chaturvedi | 24            | 20               |
| 3.      | Ms. Aradhika Chopra         | 24            | 24               |
| 4.      | Dr. Ashutosh Pratap Singh   | 24            | 08               |

**9. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

- |    |                            |          |                           |
|----|----------------------------|----------|---------------------------|
| a. | Mr Mohammad Aslam Sayeed   | Chairman | Independent Non-Executive |
| b. | Mr Saleem Iqbal Shervani   | Member   | Executive                 |
| c. | Mr Mustafa Rashid Shervani | Member   | Executive                 |

The Committee Meetings were held on 30th May 2023, 14th August 2023, 08th November 2023 and 14th February 2024.

As prescribed in section 135(5) of the Companies Act, 2013, a net budget of Rs. 4.28 Lacs (after adjusting previous year set off balance of Rs. 0.53 lacs) was utilised for the purpose of CSR, a report on the activities during the current year is attached as Annexure to the Report of Directors to the Shareholders.

Mr. S. K. Shukla, Company Secretary of the Company acts as the Secretary to the Committee.

**Attendance at Corporate Social Responsibility Committee during the Year**

| Sl. No. | Members                     | Meetings Held | Meeting Attended |
|---------|-----------------------------|---------------|------------------|
| 1.      | Mr. Mohammed Aslam Sayeed   | 4             | 3                |
| 2.      | Mr. Saleem Iqbal Shervani   | 4             | 2                |
| 3.      | Mr. Mustafa Rashid Shervani | 4             | 4                |

**10. GENERAL BODY MEETINGS****(1) Annual General Meetings**

Particulars of the last three Annual General Meeting and Special Resolution passed thereto

| Financial Year        | Date and Time                    | Venue   | Special Resolutions Passed   |
|-----------------------|----------------------------------|---|--|
| 2020-21<br>(73rd AGM) | 30th Sept, 2021<br>At 11.30 a.m. | 2, New Cantonment,<br>Kanpur Road,<br>Prayagraj (Allahabad) | Approval of Remuneration of Mr Saleem Iqbal Shervani as Managing Director for remaining tenure of his appointment<br>Approval of Continuation of Remuneration to Executive Directors.  |
| 2021-22<br>(74th AGM) | 30th Sept, 2022<br>At 11.30 a.m. | 2, New Cantonment,<br>Kanpur Road,<br>Prayagraj (Allahabad) | Appointment of Mr. Mustafa Rashid Shervani as Managing Director of the Company<br>Appointment of Mr. Saleem Iqbal Shervani as Wholetime Director designated as Executive Chairman of the Company<br>Reappointment of Mr Sadiq Husain Siddiqui as Wholetime Director designated as Director (Corporate Affairs) of the Company<br>Continuation of Directorship of Mr. Raju Verghese after attaining the age of 75 Years<br>Alteration in Object Clause of the Memorandum of Association of the Company<br>Adoption of Articles of Association of the Company in conformity with the Companies Act, 2013 |
| 2022-23<br>(75th AGM) | 30th Sept, 2023<br>At 11.30 a.m. | 2, New Cantonment,<br>Kanpur Road,<br>Prayagraj             | None   |

**(2) Postal Ballot during the Year**

Following Special Resolution were passed on 30th December, 2023 through Postal Ballot :

- Approval of the creation of security by way of charge/mortgage/hypothecation on the assets of the Company in favour of Banks/Financial Institutions/Bodies Corporate/other entity(ies) for securing loans or other borrowings and financial assistance upto an amount not exceeding Rs. 200 Crore in accordance with the provision of Section 180(1)(a) of the Companies Act, 2013.
- Approval of the enhancement of borrowing power of the Company upto an amount not exceeding Rs. 200 Core in terms of the provisions of Section 180(1)(c) of the Companies Act, 2013.

The remote e-voting on the resolutions set out in the Postal Ballot Notice was commenced on Friday, December 01, 2023 at 10:00 A.M. (IST) and ended Saturday, December 30, 2023 at 5:00 P.M. (IST).

**Procedure for postal ballot**

Prescribed procedure for postal ballot were as per the provisions contained in this behalf in the Act read with rules made there under as amended from time to time is complied.

M/s Siddiqui & Associate has conducted the process of Postal Ballot and act as a Scrutinizer.

**(3) Special Resolutions As stated above****11. DISCLOSURES**

- There was no transaction of material nature with the Directors or management or their relatives during the year.
- There was no default in compliance by the Company on any matter related to capital market. No stricture or penalty has been imposed on the Company by Stock Exchange or SEBI or any other statutory authority on any matter during the year.
- The Company had established a vigil mechanism for directors and employees to report concerns about unethical behaviour, fraud or violation of the Company's code of conduct or policy. This mechanism also provides for adequate safeguards against victimisation of director(s)/ employee(s) who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee.
- The Company has obtained the CEO/CFO certificate on the financial results and placed the same before the Board.
- In preparation of financial statements, the Company has followed the Indian Accounting Standards as specified under section 133 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 and as amended from time to time.

**Note for Members**

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN Card of members, surviving joint holders, legal heirs be furnished to the Registrar & Share Transfer Agent (RTA) while obtaining the services from them. Furnishing of KYC data to the RTA is in the interest of shareholder.

**12. Code of Conduct**

The Company has laid down the code of conduct for the members of the Board and senior management personnel of the Company. The code of conduct also prohibits insider trading pursuant to the requirements of the listing agreement. This prohibition is applicable to all Directors and such identified employees of the Company who are expected to have access to unpublished price sensitive information relating to the Company. The code of conduct is also posted on the website of the Company.

**13. Means of Communication**

- (a) Quarterly, half yearly and annual audited results are published in Aaj (Hindi) & Financial Express immediately after they are approved by the Board. Simultaneously they are posted at Company's website and Electronic Data Information Filing and Retrieval (EDIFAR) website maintained by BSE.
- (b) Management Discussion and Analysis covered under Director's Report.

**14. General Shareholders Information****Annual General Meeting**

|                    |  |
|--------------------|--|
| Day, Date and time | Monday, 30th September 2024 at 11:30 AM                  |
| Venue              | 2, New Cantonment, Kanpur Road, Prayagraj (U.P.)-211 001 |

**Financial Calendar**

|  |   |                                 |
|--|---|---------------------------------|
| Financial reporting for the Current Financial year | : | April – March                   |
| 1st Quarter ending June 30, 2024                   | : | On or before 14th August 2024   |
| 2nd Quarter ending September 30, 2024              | : | On or before 14th November 2024 |
| 3rd Quarter ending December 31, 2024               | : | On or before 14th February 2024 |
| 4th Quarter ending March 31, 2025                  | : | On or before 31st May 2025      |

**Listing on Stock Exchange**

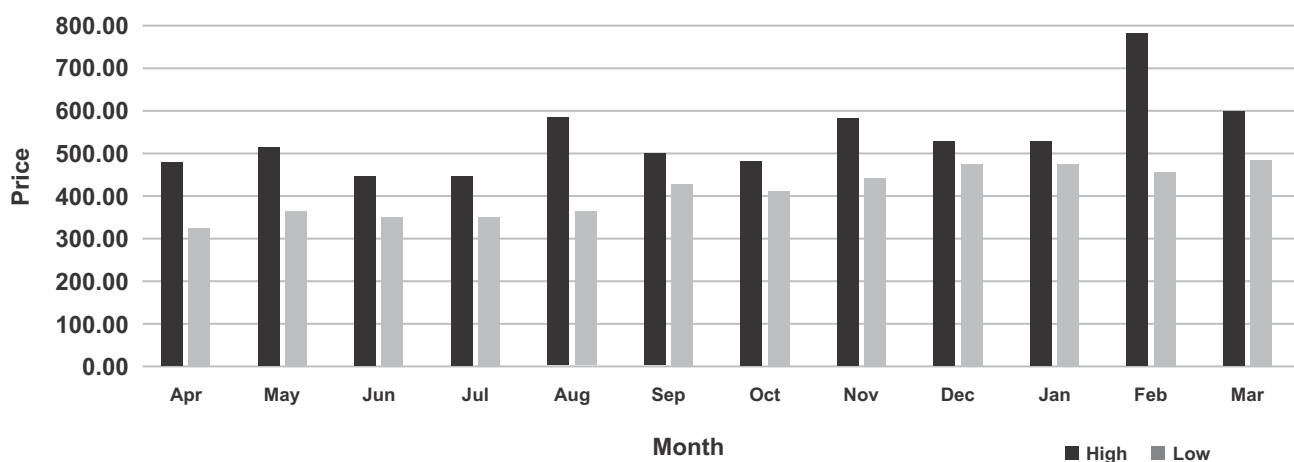
Company's Equity Shares are listed on The BSE Ltd. (BSE), Mumbai. The Scrip code in BSE 526117 and ISIN is INE011D01013.

**15. Listing Fee**

The Company has paid Listing Fee for the Financial Year 2024-25 to BSE Limited, Mumbai

**Market Price Data for the Financial Year 2023-2024 on BSE**

|      | Apr.   | May    | June   | July   | Aug.   | Sep.   | Oct.   | Nov.   | Dec.   | Jan.   | Feb.   | March  |
|------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| High | 488.40 | 525.00 | 484.00 | 495.00 | 599.00 | 519.00 | 495.00 | 585.00 | 528.70 | 525.00 | 800.00 | 609.80 |
| Low  | 340.50 | 372.65 | 360.30 | 349.90 | 370.00 | 432.00 | 422.00 | 440.90 | 476.60 | 469.30 | 476.40 | 495.20 |

**Chart**

**REGISTRAR & TRANSFER AGENT :** Link Intime India Pvt Limited  
C-101, 247 Park,  
L.B.S. Marg, Vikhroli (West)  
Mumbai-400 083

#### Share Transfer System

The Company has appointed M/s Link Intime India Private Limited, Mumbai as Registrar for Demat as well as for physical segment of shareholders which provides all related services within the period prescribed under law and the Listing Agreements with the Stock Exchange.

#### Shareholding Pattern as on 31st March 2024

| Shareholding Pattern                 |                |               |
|--------------------------------------|----------------|---------------|
| Category                             | No. of Shares  | %             |
| Promoters, Directors & Relatives     | 1549434        | 60.22         |
| Investor Education & Protection Fund | 83405          | 3.24          |
| Bodies Corporate                     | 412228         | 16.02         |
| Public                               | 481727         | 18.72         |
| HUF                                  | 24894          | 0.97          |
| NRI                                  | 21285          | 0.83          |
| <b>Total</b>                         | <b>2572973</b> | <b>100.00</b> |

#### Distribution of Shares as on 31st March 2024

| Distribution of Shareholding |             |                |
|------------------------------|-------------|----------------|
| 1-500                        | 2652        | 187122         |
| 501-1000                     | 97          | 73273          |
| 1001-2000                    | 49          | 70132          |
| 2001-3000                    | 18          | 43864          |
| 3001-4000                    | 8           | 28136          |
| 4001-5000                    | 12          | 56330          |
| 5001-10000                   | 14          | 100587         |
| 10001 and Above              | 29          | 2013529        |
| <b>Total</b>                 | <b>2879</b> | <b>2572973</b> |

#### Dematerialisation of Shares

The shares of the Company are fully under the category of compulsory delivery in dematerialised mode by all categories of investors. The Company has signed agreements with both the depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited. As on March 31, 2024 about 96.58 % of the shares of the Company are dematerialised.

**Company Office Locations :** The location of the Company is at Shervani Nagar, Sulem Sarai, Prayagraj- 211015

#### Address for Correspondence

**: SHERVANI INDUSTRIAL SYNDICATE LIMITED**  
Registered Office: Shervani Nagar, Sulem Sarai,  
Harwara, Prayagraj-211015(U.P.)  
Phone: +91-7311128115; Fax: 0532-2436928,  
Email: shervaniind@rediffmail.com  
Website: www.shervaniind.com



**Other Disclosures****a. Related Party Transactions**

All the contracts / arrangements / transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on an arm's length basis is disclosed in Board Report as well as in notes to Financial Statements. None of the transactions with any of related parties were in conflict with the Company's interest. There is no materially significant related party transaction entered during the financial year under review. The Company has formulated a policy on materiality of Related Party Transactions and dealing with Related Party Transactions and the same has been disclosed on the Company's website at the following link: <https://shervaniind.com/report/Policy%20on%20Related%20Party%20Transaction.pdf>.

**b. Disclosure on Website**

Following information has been disseminated on the website of the Company at [www.shervaniind.com](http://www.shervaniind.com):

- (a) Annual Reports
- (b) Details of Board of the Directors
- (c) Code of conduct under SEBI (PIT) Regulations, 2015
- (d) Corporate Governance Report
- (e) Composition of the Various committees of the Board of Directors
- (f) General Meeting Transcript
- (g) Details of the Business
- (h) Financial Results
- (i) Investors Complaint
- (j) Shareholding pattern
- (k) Whistle Blower/Vigil mechanism
- (l) Terms and conditions for appointment of Independent Directors
- (m) Policies
- (n) Notices
- (o) Reports under Regulation 40(9)
- (p) Announcements under Regulation 30 of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015
- (q) Terms & Conditions of Appointment of Independent Directors.
- (r) Code of Conduct for Board of Directors & Senior Management Employees.

**c. Disclosure on Material Subsidiary**

There was no material subsidiary for the financial year 2023-24.

**d. Total fees for all services paid by the listed entity on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part**

The total fees paid to the M/s P. L. Tandon & Co., Statutory Auditor by the Company on a consolidated basis for the Financial Year 2023-24 is INR 2,50,000/- (Indian Rupees Two Lakhs Fifty Thousand Only) details of which is placed at notes to the financial Statements forming part of this Annual Report.

**e. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

During the Financial Year ended 31st March, 2024, the Company has not received any complaint in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**f. Disclosures by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount during FY 2023-24**

No Such transaction was carried out by Company or its subsidiary.

**g. Statutory Certificates:**

- 1- CEO/CFO Certification The certificate required under Regulation 17(8) of the Listing Regulations, duly signed by the CEO and CFO of your Company was placed before the Board. The same is provided as an annexure to this report.
- 2- A Certificate from Company Secretary in practice that none of the Director on Board of the Company have been debarred/disqualified in the relevant financial year is annexed with the Director Report.
- 3- Chartered Accountant certificate on Corporate Governance: Your Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations. It has obtained a certificate affirming the compliances from M/s P. L. Tandon, Chartered Accountant, affirming compliance of Corporate Governance requirements during FY 2023-24 and the same is attached to this Report.

**CEO/CFO Certificate**

We have to place on record that we have:

- a) Reviewed the financial statements for the quarter and year ended under review and that to the best of our knowledge and belief:
  - i) These statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws, and regulations.
- b) There are to the best of our knowledge and belief, no transactions entered into by the Company during the quarter and year ended under review which are fraudulent, illegal, or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and Audit Committee that there are no:
  - i) Significant changes, if any, in the internal control over financial reporting during the quarter and year ended;
  - ii) Significant changes, if any, in the accounting policies made during the quarter and year ended and that the same has been disclosed in the notes to the financial statements; and
  - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Mustafa Rashid Shervani  
Managing Director

Tahir Hasan  
Chief Financial Officer

Place : Prayagraj

Date : May 24, 2024

## CERTIFICATE ON CORPORATE GOVERNANCE

**Independent Auditors' Certificate on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**TO THE MEMBERS OF SHERVANI INDUSTRIAL SYNDICATE LIMITED PRAYAGRAJ**

1. This certificate is issued in accordance with the terms of our engagement letter dated 20th May, 2024.
2. We, P.L. Tandon & Co., Chartered Accountants, the Statutory Auditor of Shervani Industrial Syndicate Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March, 2024, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the Listing Regulations during the year ended 31st March, 2024.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**Management's Responsibility**

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

**Auditor's Responsibility**

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the "ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

For P.L. Tandon & Co.  
Chartered Accountants  
Firm's Registration No. 000186C

P.P. SINGH  
(Partner)  
Membership No. 072754  
UDIN 24072754BKCRZT2912

Place : Kanpur  
Date : May 24, 2024

## TO THE MEMBERS OF SHERVANI INDUSTRIAL SYNDICATE LIMITED

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

We have audited the standalone financial statements of SHERVANI INDUSTRIAL SYNDICATE LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2024, and the statement of Profit and Loss including Other Comprehensive Income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and the profit, Total Comprehensive Income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Information Other than the Standalone financial statements and Auditor's Report thereon**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, Total Comprehensive Income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing 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 are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to

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

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

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

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone 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 control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, statement of changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015 as amended.

- (e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements -Refer Note No 39 to the financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The management has represented that, to the best of it's knowledge and belief, 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 it's knowledge and belief, 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 considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.  
As stated in note 14.1(b) to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail being tampered with.

For P.L. Tandon & Co.  
Chartered Accountants  
Registration Number: 000186C

P.P.SINGH  
(Partner)  
Membership Number: 072754  
UDIN - 24072754BKCRZB8486

Place : Kanpur  
Date : May 24, 2024

## ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

Re: **SHERVANI INDUSTRIAL SYNDICATE LIMITED**

**The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March, 2024, we report that:**

i. In respect of its Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including Quantitative details and situation of fixed assets other than furniture and fixtures and office equipment.

(B) The company does not have any intangible assets and therefor provision of para 3(i)(a)(B) of Companies (Auditor's Report) Order, 2020 are not applicable to company.

(b) All the property, plant and equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its property, plant and equipment. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of registered sale deed /transferdeed/ conveyance deed and other relevant records evidencing title provided to us, we report that, the title deeds, comprising all the immovable properties of land and building are held in the name of the company as at the balance sheet date.

(d) According to the information and explanations given to us, the company has not revalued its property, plant and equipment's (including right of use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us, the company does not hold any benami property under the Benami Transactions (Prohibition) Act 1988 (45 of 1988) and rules made thereunder. Therefore provisions of paragraph 3(i) (e) of the Companies (Auditor's Report) Order, 2020 are not applicable to the company.

ii. In respect of its Inventories:

a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals and in our opinion, the coverage and procedure of such verification is appropriate. The discrepancies noticed on verification between physical stocks and the book records were not of 10% or more in aggregate for each class of inventory.

b) According to the information and explanations given to us and based on our examinations of the records, in our opinion, the Company has not been sanctioned any working capital limits on the basis of security of current

assets of the Company during the year. Accordingly, the provisions of clause 3(ii) (b) of the Order are not applicable to the company.

iii. In respect of loans secured or unsecured, investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability partnerships or any other parties, according to the information and explanations given to us:

a. Based on the audit procedure carried out by us and as per the information and explanations given to us, the company has made investments in and granted loans and advances in the nature of loans to companies, firms, Limited Liability partnerships as below:

|  | Investment | Security/<br>Guarantees | Loans  | Advances in<br>nature<br>of loans |
|--|------------|-------------------------|--------|-----------------------------------|
| Aggregate amount granted/provided during the year                      |            |                         |        |                                   |
| - Subsidiaries   | -          | -                       | -      | -                                 |
| - Associates   | -          | -                       | -      | -                                 |
| - Others   | 1163.39    |                         |        |                                   |
| Balance outstanding as at balance sheet date in respect of above cases |            |                         |        |                                   |
| - Subsidiaries   | 27.00      | -                       | 489.73 | -                                 |
| (net of provision of Rs. 150 lakh in respect of Loan)                  |            |                         |        |                                   |
| - Associates   | 881.43     | -                       | -      | -                                 |
| - Others   | 1163.39    |                         |        |                                   |

b. The terms and conditions of the grant of all loans and investments are not prejudicial to the Interest of the company.

c. There are no stipulations for the repayment of loan.

d. There is no amount overdue for more than ninety days.

e. There is no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.

f. The company has not granted loans to promoters, related parties as defined in clause (76) of section 2 of the companies act 2013 which are repayable on demand or without specifying any terms or period of repayments. Therefore provisions of paragraph 3 (iii)(f) of Companies(Auditor's Report) Order, 2020 are not applicable to company.

- iv. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, with respect to the loans and investments made.
- v. In our opinion and according to information and explanations given to us, the company has not accepted any deposits within the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder. Therefore, the provisions of paragraph 3 (v) of the Companies (Auditor's Report) order, 2020, are not applicable to the company.
- vi. We have broadly reviewed the books of account maintained by the company, pursuant to the rules made by the Central Government, for maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 and we are of the opinion that prima-facie the prescribed accounts and records have been maintained.
- vii. According to the information and explanations given to us, in respect of statutory and other dues:

- (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other Statutory Dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, goods and service tax, Duty of Custom, Duty of Excise, Value Added Tax, GST, Cess and other material Statutory dues were in arrear as at 31st March, 2024 for a period more than six months from the date they became payable.

- (b) According to the records of the company, income tax, sales tax, service tax, goods and services tax, duty of custom, duty of excise or value added tax which have not been deposited on account of any dispute, are as follows :-

| Name of the Statute | Nature of the Dues     | Amount (Rs. in Lakhs) | Period to which Amount Relates | Forum where Dispute is Pending |
|---------------------|------------------------|-----------------------|--------------------------------|--------------------------------|
| Income tax Act      | Tax Deducted at Source | 109.54                | AY 2010-11                     | Commissioner Income Tax Appeal |
| Income tax Act      | Income Tax             | 2616.33               | AY 2018-19                     | Commissioner Income Tax Appeal |

- viii. According to the information and explanations given to us, there is no transactions which have not been recorded in the books of account but have been

surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- ix. a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any loan or other borrowings or any interest due thereon to any lender.
- b) In our opinion and according to the information and explanations given to us, the company has not been declared wilful defaulter by any bank or financial institution or other lender;
- c) In our opinion and according to the information and explanations given to us, the loans were applied for the purpose for which the loans were obtained.
- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates and company does not have any joint ventures company.
- f) In our opinion and according to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, associate companies and company does not have any joint venture company.
- x. a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the order is not applicable.
- (b) In our opinion and according to the information and explanations given to us, the company has not made preferential allotment or private placement of shares during the year and the requirements of section 42 and section 62 of the Companies Act, 2013, therefore, the provisions of paragraph 3 (x)b of the Companies (Auditor's Report) order, 2020, are not applicable to the company.
- xi. a) According to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of our audit.
- b) No report under sub-section (12) of section 143 of the Companies Act, has been filed by auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.



- c) As represented to us by the management, there are no Whistle blower complaints received by the company during the year.
- xii. In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company. Therefore, the provisions of paragraph 3(xii) of the Companies (Auditors' Report) order, 2020, are not applicable to the company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable, and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards.
- xiv. a) In our opinion and based on the examination, the company has an internal audit system commensurate with the size and nature of its business.  
b) We have considered the internal audit reports issued till date, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company.
- xvi. a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934;  
b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year;  
c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India;  
d) According to the information and explanations given to us, the group does not have any CIC as part of the group.
- xvii. The company has not incurred cash losses during the current financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and therefore the provisions of paragraph 3(xviii) of the Companies (Auditors' Report) order, 2020, are not applicable to the company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and

based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

- xx. There are no unspent amounts towards Corporate Social Responsibility (CSR) under section 135 of the Companies Act and therefore provisions of paragraph 3(xx)(a) and 3 (xx)(b) of the Companies (Auditors' Report) order, 2020, are not applicable to the company.
- xxi. The CARO of one associate (Star Hotel Private Limited) has not been issued by the auditor till 24-05-2024 and therefore we are unable to comment on this clause and in respect of subsidiary there are no qualifications or adverse remarks by the auditors in the Companies (Auditors Report) order (CARO) report of the company included in the consolidated financial statements. Accordingly, the requirements to report on the clause 3(xxi) of the order is not applicable to the Holding Company.

For P.L. Tandon & Co.  
Chartered Accountants  
Registration Number: 000186C

P.P. Singh  
(Partner)  
Membership Number: 072754  
UDIN - 24072754BKCRZB8486

Place : Kanpur  
Date : May 24, 2024

# 76<sup>TH</sup> ANNUAL REPORT (2023-2024) INDEPENDENT AUDITOR'S REPORT

## ANNEXURE -“ B” TO THE INDEPENDENT AUDITORS REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SHERVANI INDUSTRIAL SYNDICATE LIMITED Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of SHERVANI INDUSTRIAL SYNDICATE LIMITED (“the Company”) as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations 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 Over Financial Reporting

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For P.L. Tandon & Co.  
Chartered Accountants  
Registration Number: 000186C

P.P. Singh  
(Partner)  
Membership Number: 072754  
UDIN - 24072754BKCRZB8486

Place : Kanpur  
Date : May 24, 2024

# 76<sup>TH</sup> ANNUAL REPORT (2023-2024)

# BALANCE SHEET

|  |      | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|--|------|---------------------------------------|---------------------------------------|
|  |      |                                       | (Rs. In Lakhs)                        |
| <b>ASSETS</b>  |      |                                       |                                       |
| <b>Non-Current Assets</b>                                    |      |                                       |                                       |
| Property, Plant and Equipment                                | 2    | 1,201.76                              | 733.87                                |
| Investment Property  | 2.1  | 180.76                                | 183.75                                |
| Capital Work in Progress                                     | 2.2  | 184.03                                | -                                     |
| <b>Financial Assets</b>                                      |      |                                       |                                       |
| Investments  | 3    | 908.48                                | 908.48                                |
| Other Financial Assets                                       | 4    | 356.95                                | 195.35                                |
| Deffered tax Asset (Net)                                     | 17   | 223.83                                | -                                     |
| <b>Total Non Current Assets</b>                              |      | <b>3,055.81</b>                       | <b>2,021.45</b>                       |
| <b>Current Assets</b>  |      |                                       |                                       |
| Inventories  | 5    | 14,302.16                             | 19,503.61                             |
| <b>Financial Assets</b>                                      |      |                                       |                                       |
| Investments  | 6    | 1,166.37                              | 514.67                                |
| Trade Receivables  | 7    | 120.97                                | 234.18                                |
| Cash and Cash Equivalents                                    | 8    | 369.18                                | 54.25                                 |
| Other Bank Balances  | 9    | 1,139.97                              | 1,337.27                              |
| Loans  | 10   | 489.73                                | 489.73                                |
| Other Financial Assets                                       | 11   | 105.61                                | 30.42                                 |
| Other Current Assets   | 12   | 55.59                                 | 59.26                                 |
| <b>Total Current Assets</b>                                  |      | <b>17,749.58</b>                      | <b>22,223.39</b>                      |
| <b>TOTAL ASSETS</b>  |      | <b>20,805.39</b>                      | <b>24,244.84</b>                      |
| <b>EQUITY AND LIABILITIES</b>                                |      |                                       |                                       |
| <b>Equity</b>  |      |                                       |                                       |
| Equity Share Capital   | 13   | 259.30                                | 272.10                                |
| Other Equity   | 14   | 13,119.53                             | 12,209.74                             |
| <b>Total Equity</b>  |      | <b>13,378.83</b>                      | <b>12,481.84</b>                      |
| <b>Liabilities</b>   |      |                                       |                                       |
| <b>Non-Current Liabilities</b>                               |      |                                       |                                       |
| <b>Financial Liabilities</b>                                 |      |                                       |                                       |
| Borrowings   | 15   | 1,865.50                              | 31.13                                 |
| Provisions   | 16   | -                                     | 0.50                                  |
| Deferred Tax Liability (Net)                                 | 17   | -                                     | 61.08                                 |
| <b>Total Non Current Liability</b>                           |      | <b>1,865.50</b>                       | <b>92.71</b>                          |
| <b>Current Liabilities</b>                                   |      |                                       |                                       |
| <b>Financial Liabilities</b>                                 |      |                                       |                                       |
| Borrowings   | 18   | 1,278.36                              | 19.05                                 |
| Trade Payables   | 19   | 327.75                                | 92.77                                 |
| Other Financial Liabilities                                  | 20   | 101.35                                | 100.04                                |
| Current Tax Liability (Net)                                  |      | -                                     | 228.69                                |
| Other Current Liabilities                                    | 21   | 3,757.20                              | 11,227.90                             |
| Provisions   | 22   | 96.40                                 | 1.84                                  |
| <b>Total Current Liability</b>                               |      | <b>5,561.06</b>                       | <b>11,670.29</b>                      |
| <b>TOTAL EQUITY AND LIABILITIES</b>                          |      | <b>20,805.39</b>                      | <b>24,244.84</b>                      |
| Material Accounting Policies & Notes to Financial Statements | 1-59 |                                       |                                       |

As per our report of even date attached

**For P. L. Tandon & Co.**

Chartered Accountants

**P.P. Singh**

Partner

**S.K. Shukla**

Company Secretary

**Tahir Hasan**

Chief Financial Officer

**Mohd. Aslam Sayeed**

Director  
DIN: 06652348

**Mustafa Rashid Shervani**

Managing Director  
DIN: 02379954

Place : Prayagraj

Date : May 24, 2024

| PARTICULARS   | Note No. | Year Ended       | Year Ended      |
|---|----------|------------------|-----------------|
|   |          | March 31, 2024   | March 31, 2023  |
|   |          |                  | (Rs. In Lakhs)  |
| Revenue from Operations   | 23       | 13,781.46        | 2,155.79        |
| Other Income  | 24       | 392.94           | 125.91          |
| <b>Total Income</b>   |          | <b>14,174.40</b> | <b>2,281.70</b> |
| <b>EXPENSES</b>   |          |                  |                 |
| Construction Expenses   | 25       | 3,395.83         | 3,939.08        |
| Expenses incurred for IT Business   |          | 1,212.24         | -               |
| Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress         | 26       | 5,159.19         | (2,686.35)      |
| Employee Benefit Expense  | 27       | 331.25           | 186.22          |
| Finance Cost  | 28       | 14.42            | 6.52            |
| Depreciation and Amortisation Expense   | 2 & 2.1  | 79.31            | 74.09           |
| Other Expenses  | 29       | 723.04           | 397.88          |
| <b>Total Expenses</b>   |          | <b>10,915.28</b> | <b>1,917.44</b> |
| <b>PROFIT/(LOSS) BEFORE TAX</b>   |          | <b>3,259.12</b>  | <b>364.26</b>   |
| <b>Tax Expense</b>  |          |                  |                 |
| Current Tax   |          | 569.43           | 180.00          |
| MAT Credit  |          | (300.25)         | (119.00)        |
| Deffered Tax  |          | 15.35            | 10.49           |
| Tax Adjustment of Earlier Years   |          | (0.63)           | (0.11)          |
| <b>PROFIT/(LOSS) FOR THE YEAR</b>   |          | <b>2,975.22</b>  | <b>292.88</b>   |
| <b>OTHER COMPREHENSIVE INCOME</b>   |          |                  |                 |
| a. Transferred from Other Comprehensive Income  |          | -                | -               |
| b. Items that will be reclassified to Profit or Loss in Future                        |          |                  |                 |
| Fair Value change on Equity Instrument through other comprehensive Income(Net of Tax) |          | 4.35             | 5.15            |
| c. Items that will not be reclassified to Profit or Loss in future                    |          | 0.15             | -               |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>  |          | <b>2,979.72</b>  | <b>298.03</b>   |
| <b>Earnings per Equity Share (face value of Rs. 10/- each)</b>                        |          |                  |                 |
| Basic EPS   | 30       | 114.78           | 10.76           |
| Diluted EPS   |          | 109.10           | 10.76           |
| Material Accounting Policies & Notes to Financial Statements                          | 1-59     |                  |                 |

As per our report of even date attached

**For P. L. Tandon & Co.**  
Chartered Accountants

**P.P. Singh**  
Partner

**S.K. Shukla**  
Company Secretary

**Tahir Hasan**  
Chief Financial Officer

**Mohd. Aslam Sayeed**  
Director  
DIN: 06652348

**Mustafa Rashid Shervani**  
Managing Director  
DIN: 02379954

Place : Prayagraj  
Date : May 24, 2024

# 76<sup>TH</sup> ANNUAL REPORT (2023-2024)

## Statement of Changes

### a) Share Capital

(Rs. In Lakhs)

| Share Capital                                   | Balance at the beginning of the reporting period | Changes in Equity Share Capital during the year | Balance at the end of the reporting period |
|---|--|---|--|
| For the year ended 31 <sup>st</sup> March, 2023 | 272.10   | -   | 272.10                                     |
| For the year ended 31 <sup>st</sup> March, 2024 | 272.10   | (12.80)   | 259.30                                     |

### b) Other Equity

(Rs. In Lakhs)

| Reserve  | Capital Subsidy Reserve | General Reserve | Capital Redemption Reserve | Capital Reserve on Revaluation of Land | Retained Earnings | Other Comprehensive Income | Total            |
|--|-------------------------|-----------------|----------------------------|--|-------------------|----------------------------|------------------|
| Balance as at 31st March, 2022                               | 19.27                   | 2,971.86        | 75.92                      | 6,152.66                               | 3,392.59          | 107.61                     | 12,719.90        |
| Profit for the year  | -                       | -               | -                          | -                                      | 292.88            | -                          | 292.88           |
| Movement in OCI During the Year                              | -                       | -               | -                          | -                                      | -                 | 5.15                       | 5.15             |
| Transfer to Profit and Loss statement                        | -                       | -               | -                          | (753.78)                               | -                 | -                          | (753.78)         |
| Final Dividend Paid  | -                       | -               | -                          | -                                      | (54.42)           | -                          | (54.42)          |
| <b>Balance as at 31st March, 2023</b>                        | <b>19.27</b>            | <b>2,971.86</b> | <b>75.92</b>               | <b>5,398.88</b>                        | <b>3,631.05</b>   | <b>112.76</b>              | <b>12,209.74</b> |
| Profit for the year  | -                       | -               | -                          | -                                      | 2,975.22          | -                          | 2,975.22         |
| Movement in OCI During the Year                              | -                       | -               | -                          | -                                      | -                 | 4.35                       | 4.35             |
| Amount Utilised for Buyback                                  | -                       | (640.23)        | -                          | -                                      | -                 | -                          | (640.23)         |
| Transfer to Profit and Loss statement                        | -                       | -               | -                          | (1,244.03)                             | -                 | -                          | (1,244.03)       |
| Transfer from General Reserve                                | -                       | -               | 12.80                      | -                                      | -                 | -                          | 12.80            |
| Final Dividend Paid  | -                       | -               | -                          | -                                      | (68.02)           | -                          | (68.02)          |
| Items that will not be reclassified to Profit/Loss in Future | -                       | -               | -                          | -                                      | 0.15              | -                          | 0.15             |
| Reclassified to Profit/(Loss) on disposal                    | -                       | -               | -                          | -                                      | -                 | (117.65)                   | (117.65)         |
| Transfer to Capital Redemption Reserve                       | -                       | (12.80)         | -                          | -                                      | -                 | -                          | (12.80)          |
| <b>Balance as at 31st March, 2024</b>                        | <b>19.27</b>            | <b>2,318.83</b> | <b>88.72</b>               | <b>4,154.85</b>                        | <b>6,538.40</b>   | <b>(0.54)</b>              | <b>13,119.53</b> |

|  | 2023-2024         | 2022-2023         |
|--|-------------------|-------------------|
|  |                   | (Rs. In Lakhs)    |
| <b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>                        |                   |                   |
| Profit/(Loss) Before Tax   | 3,259.12          | 364.26            |
| Adjustment For   |                   |                   |
| Adjustment of OCI  | 4.50              |                   |
| Bad debts and sundry balances written off                            | -                 | -                 |
| Transfer from Capital reserve on revaluation of Land                 | (1,244.03)        | (753.78)          |
| Depreciation   | 79.32             | 74.09             |
| Loss /(Profit) on sale of Assets                                     | (17.56)           | -                 |
| Interest Expense   | 14.42             | 6.52              |
| Interest Income  | (103.44)          | (70.35)           |
| Dividend Received  | (40.78)           | (33.99)           |
| (Profit)/Loss on Sale of Investments                                 | (204.52)          | (0.17)            |
| <b>Operating Profit before Working Capital Changes</b>               | <b>1,747.02</b>   | <b>(413.42)</b>   |
| Adjustment For   |                   |                   |
| (Increase)/Decrease in Trade and Other receivables                   | 114.75            | (84.89)           |
| (Increase)/Decrease in Inventories                                   | 5,201.45          | (2,686.35)        |
| Increase/(Decrease) in Trade and Other Payables                      | (7,236.76)        | 3,937.92          |
| <b>Cash generated from Operation</b>                                 | <b>(173.53)</b>   | <b>753.26</b>     |
| Add/(Deduct) For   |                   |                   |
| Direct Tax paid  | (701.10)          | (112.04)          |
| <b>Net Cash from operating activity</b>                              | <b>(874.63)</b>   | <b>641.22</b>     |
| <b>B) CASH USED IN INVESTING ACTIVITIES</b>                          |                   |                   |
| Purchase of Fixed Assests (Including CWIP)                           | (731.64)          | (5.81)            |
| Sale of Fixed Assets   | 67.92             | -                 |
| (Purchase)/Sale of Current Investments (Net of Sale/Purchase)        | (564.83)          | 165.17            |
| Movement in Fixed Deposits   | 36.97             | (271.99)          |
| Dividend Received  | 40.78             | 33.99             |
| Interest Received  | 30.39             | 64.39             |
| <b>Net Cash used in investing activity</b>                           | <b>(1,120.41)</b> | <b>(14.25)</b>    |
| <b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>                        |                   |                   |
| Repayment of Borrowings  | 3,093.68          | (981.47)          |
| Buy Back of Shares (Includes Funding from General Reserve)           | (653.03)          |                   |
| Interest Paid  | (61.37)           | (23.21)           |
| Changes in Other Financial Asset                                     | (1.27)            | (1.82)            |
| Dividend Paid  | (68.03)           | (54.42)           |
| <b>Net Cash (used in)/from financing activities (Total - C)</b>      | <b>2,309.98</b>   | <b>(1,060.92)</b> |
| <b>Net Increase / (Decrease)in Cash and Cash Equivalents (A+B+C)</b> | <b>314.94</b>     | <b>(433.95)</b>   |
| Add : Cash and Cash Equivalents                                      | 54.25             | 488.20            |
| <b>Closing Cash and Cash Equivalent</b>                              | <b>369.18</b>     | <b>54.25</b>      |

Notes : 1. Cash and cash equivalents consists of Cash in Hand and Balance with Bank.  
2. Reconciliation of Cash and Cash equivalents : Cash and cash equivalents as per Note No. 8

Material Accounting Policies & Notes to Financial Statements 1-59  
As per our report of even date attached

For P. L. Tandon & Co.  
Chartered Accountants

P.P. Singh  
Partner

S.K. Shukla  
Company Secretary

Tahir Hasan  
Chief Financial Officer

Mohd. Aslam Sayeed  
Director  
DIN: 06652348

Mustafa Rashid Shervani  
Managing Director  
DIN: 02379954

Place : Prayagraj  
Date : May 24, 2024

**NOTES ON FINANCIAL STATEMENTS****NOTE No. 1. SIGNIFICANT ACCOUNTING POLICIES****Reporting Entity**

Shervani Industrial Syndicate Limited (the "Company") is a listed entity and domiciled in India and limited by shares (CIN: L45202UP1948PLC001891). The company is engaged in the business of Real Estate, Development of Infrastructure Facilities & Information Technology. The Equity shares of the company are listed on Bombay Stock Exchange in India.

The address of the company's registered office is Shervani Nagar, Sulem Sarai, Harwara, Prayagraj-211015.

**1. Significant Accounting Policies**

The Company has consistently applied the following accounting policies to all periods presented in the financial statements.

**1.1 Basis of Preparation**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

**1.2 Current and Non-Current Classification**

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when:

- (a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- (b) it holds the asset primarily for the purpose of trading;
- (c) it expects to realise the asset within twelve months after the reporting period; or
- (d) the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

An entity shall classify a liability as current when:

- (a) it expects to settle the liability in its normal operating cycle;
- (b) it holds the liability primarily for the purpose of trading;
- (c) the liability is due to be settled within twelve months after the reporting period; or
- (d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its

settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

**1.3 Revenue Recognition****1.3.1**

The Company recognises revenue from contracts (Ind AS 115) with Customers when it satisfies a performance obligation by transferring promised good or service to a Customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a Customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes, levies or duties collected on behalf of the government/ other statutory bodies. The taxes, levies or duties are not considered to be received by the Company on its own account and are excluded from net revenue.

**1.3.2 Interest**

Interest income is recognised using the Effective Interest Method.

**1.3.3 Dividend**

Dividend income from investments is recognised when the rights to receive payment is established.

**1.3.4 Other Claims**

Other claims (including interest on delayed realization from customers) are accounted for, when there is certainty of realisation.

**1.4 Property, Plant and Equipment (PPE)**

Land is carried at historical cost. Historical cost includes expenditure which are directly attributable to the acquisition of the land like, rehabilitation expenses, resettlement cost etc.

After recognition, an item of Property, plant and equipment are carried at its cost less any accumulated depreciation and any accumulated impairment losses under Cost Model. The cost of an item of property, plant and equipment comprises:

- (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

- (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- (c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item depreciated separately. However, significant part(s) of an item of PPE having same useful life and depreciation method are grouped together in determining the depreciation charge.

Costs of the day to-day servicing described as for the 'repairs and maintenance' are recognised in the statement of profit and loss in the period in which the same are incurred.

#### Subsequent Measurement

Subsequent cost of replacing parts of an item of property, plant and equipment are recognised in the carrying amount of the item, if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is derecognised in accordance with the derecognition policy mentioned below.

When major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognised.

An item of Property, plant or equipment is derecognised upon disposal or when no future economic benefits are expected from the continued use of assets. Any gain or loss arising on such derecognition of an item of property plant and equipment is recognised in profit and Loss.

#### Depreciation

Depreciation on property, plant and equipment, except freehold land, is provided on straightline method based on useful life specified in schedule II to the Companies Act, 2013. The residual value of Property, plant and equipment is considered as 5% of the original cost of the asset.

Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the month of addition / disposal.

Capital Expenses incurred by the company on construction/development of certain assets which are essential for production, supply of goods or for the access to any existing Assets of the company are recognised as Enabling Assets under Property, Plant and Equipment.

#### Investment Property

Property (land or a building or part of building or both) held to earn rentals or capital appreciation or both rather than for, use in the production or supply of goods or services or for administrative purpose; or sale in the ordinary course of business are classified as investment property .

Investment property is measured initially as its cost, including related transaction costs and where applicable borrowing cost. Investment Properties are depreciated using straight line method based on useful life specified in schedule II to the Companies Act, 2013. The residual value of Property, plant and equipment is considered as 5% of the original cost of the asset.

#### 1.5 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

##### 1.5.1 Financial assets

##### 1.5.1 Initial recognition and measurement

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at fair value through profit or loss, plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

##### 1.5.2 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

##### 1.5.2.1 Equity investments in subsidiaries and associates

In accordance of Ind AS 101 (First time adoption of Ind AS), the carrying amount of these investments as per previous



GAAP as on the date of transition is considered to be the deemed cost. Subsequently Investment in subsidiaries and associates are measured at cost.

### 1.5.2.2 Other Equity Investment

All other equity investments in scope of Ind AS 109 are measured at fair value through Other Comprehensive Income (OCI).

For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

### 1.5.3 Financial Liabilities

#### 1.5.3.1 Initial Recognition and Measurement

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

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

#### 1.5.4 Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### 1.6 Borrowing Costs

Borrowing costs are expensed as incurred except where they are directly attributable to the acquisition, construction or production of qualifying assets i.e. the assets that necessarily takes substantial period of time to get ready for intended use, in which case they are capitalised as part of the cost of those asset up to the date when the qualifying asset is ready for its intended use.

### 1.7 Taxation

Tax expenses for the period comprises current and deferred tax. Tax is recognised in statement of Profit and Loss, except

to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

**Current Tax:** Current Tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted at the Balance Sheet date.

**Deferred Tax:** Deferred Tax recognised on temporary difference between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

### 1.8 Employee Benefits

#### (i) Short Term Employee Benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### (ii) Defined Contribution Plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. The company has following defined contribution plans:

##### a) Provident Fund

#### (iii) Defined Benefit Plans

The company net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The company has following defined benefit plan:

**a) Gratuity**

The company provides for its gratuity liability based on actuarial valuation of the gratuity liability as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary and contributes to the gratuity fund. The contributions made are recognized as plan assets. The defined benefit obligation as reduced by fair value of plan assets is recognized in the Balance Sheet. Remeasurements are recognized in the Other Comprehensive Income, net of tax in the year in which they arise.

**b) Leave Encashment**

Leave encashment is payable to eligible employees at the time of retirement. The Liability for leave encashment, which is defined benefit scheme, is provided on Actuarial Valuation as at the Balance Sheet Date, based on projected unit credit method, carried out by the Independent Actuary.

**1.9 Inventories**

i) Inventories are valued as follows:

Inventory comprises property for sale and the property under construction (Work in progress)

Inventories are valued at cost except for finished goods. Finished goods are valued at cost or market value whichever is lower.

Completed real estate project for sale is valued at lower of cost and net realizable value. Cost is determined by including cost of land, materials, services and other related overheads.

Construction work in progress is valued at cost which comprises of land materials, services and other related overheads.

**1.10 Provisions, Contingent Liabilities & Contingent Assets**

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the company, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingent Assets are not recognised in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

**1.11 Earnings Per Share**

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per shares is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per shares and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

**1.12 Judgements, Estimates and Assumptions**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and the amount of revenue and expenses during the reported period. Application of accounting policies involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimate are recognised in the period in which the estimates are revised and, if material, their effects are disclosed in the notes to the financial statements.

**1.12.1 Judgements**

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

**1.12.1.1 Formulation of Accounting Policies**

Accounting policies are formulated in a manner that result in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

In the absence of an Ind AS that specifically applies to a transaction, other event or condition, management has used its judgement in developing and applying an accounting policy that results in information that is:

- a) relevant to the economic decision-making needs of users and
- b) reliable in that financial statements:
  - (i) represent faithfully the financial position, financial performance and cash flows of the entity;
  - (ii) reflect the economic substance of transactions, other events and conditions, and not merely the legal form;
  - (iii) are neutral, i.e. free from bias;
  - (iv) are prudent; and
  - (v) are complete in all material respects on a consistent basis.

In making the judgement management refers to, and considers the applicability of, the following sources in descending order:

- (a) the requirements in Ind ASs dealing with similar and related issues; and
- (b) the definitions, recognition criteria and measurement concepts for assets, liabilities, income and expenses in the Framework.

In making the judgement, management considers the most recent pronouncements of International Accounting Standards Board and in absence thereof those of the other standard-setting bodies that use a similar conceptual framework to develop accounting standards, other accounting literature and accepted industry practices, to the extent that these do not conflict with the sources in above paragraph.

**1.12.1.2 Materiality**

Ind AS applies to items which are material. Management uses judgment in deciding whether individual items or groups of item are material in the financial statements.

Materiality is judged by reference to the size and nature of the item. The deciding factor is whether omission or misstatement could individually or collectively influence the economic decisions that users make on the basis of the financial statements. Management also uses judgement of materiality for determining the compliance requirement of the Ind AS. In particular circumstances either the nature or the amount of an item or aggregate of items could be the determining factor. Further an entity may also be required to present separately immaterial items when required by law.

**1.12.2 Estimates and Assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**1.12.2.1 Impairment of Non-Financial Assets**

There is an indication of impairment if, the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. Company considers individual PPE as separate cash generating units for the purpose of test of impairment. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

**1.12.2.2 Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**1.12.2.3 Defined Benefit Plan**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations.

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

#### 1.12.2.4 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

#### 1.13 Recent Accounting Pronouncement

On 31st March, 2023, Ministry of Company Affairs has amended the Companies (Indian Accounting Standards) Amendment Rule, 2023, applicable from 1st April, 2023, as below:

##### Ind AS 103 - Business Combination

The amendment required the new disclosure in respect of date on which the transferee obtains the control of the transferor. The company does not expect the amendments to have any impact in its financials.

##### Ind AS 107- Financial Instruments Disclosure

The companies (Indian Accounting Standards) Amendment Rule 2023 has amended paragraph 21 and paragraph B5 of Ind AS 107, thereby requiring companies to disclose their Material Accounting Policy Disclosure rather than their significant accounting policy. The company does not expect the amendments to have any impact in its financials.

##### Ind AS 1 - Presentation of Financial Statements

The amendment states that:

- Companies should disclose the material accounting policies rather than the significant accounting policies.

- Clarifies that accounting policies relate to immaterial transactions, other events or conditions are themselves are immaterial and therefore need not to be disclosed. The company does not expect the amendments to have any impact in its financials.

##### Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

The amendment rule 2023 inserted the definition of accounting estimate and omitted the change in accounting estimate. But the company does not expect the amendments to have any impact in its financials.

##### Ind AS 12 - Income Taxes

Amendment in Rule 2023 have issued certain amendments to Ind AS 12. The amendments have been made to narrow the scope of initial recognition exemption, i.e., it no longer apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary difference. With effect from 1st April, 2023, the initial recognition exemption will be read as under:

- At the time of transaction, affect neither accounting profit nor taxable profit (tax loss);
- At the time of transaction, does not give rise to equal taxable and deductible temporary difference. The company does not expect the amendments to have any impact in its financials.

##### 1.14 Abbreviation used

|    |        |   |
|----|--------|---|
| a. | CGU    | Cash generating unit                          |
| b. | DCF    | Discounted Cash Flow                          |
| c. | FVTOCI | Fair value through Other Comprehensive Income |
| d. | FVTPL  | Fair value through Profit & Loss              |
| e. | GAAP   | Generally accepted accounting principal       |
| f. | Ind AS | Indian Accounting Standards                   |
| g. | OCI    | Other Comprehensive Income                    |
| h. | P&L    | Profit and Loss                               |
| i. | PPE    | Property, Plant and Equipment                 |
| j. | SPPI   | Solely Payment of Principal and Interest      |

(Rs. In Lakhs)

## 2. PROPERTY, PLANT AND EQUIPMENT

| PARTICULARS           | GROSS BLOCK         |              |                            |                     |                     |               |                            |                     |
|-----------------------|---------------------|--------------|----------------------------|---------------------|---------------------|---------------|----------------------------|---------------------|
|                       | As at<br>01.04.2022 | Additions    | Deductions/<br>Adjustments | As at<br>31.03.2023 | As at<br>01.04.2023 | Additions     | Deductions/<br>Adjustments | As at<br>31.03.2024 |
| Freehold Land*        | 164.64              | -            | -                          | 164.64              | 164.64              | -             | -                          | 164.64              |
| Leasehold Land        | 0.05                | -            | -                          | 0.05                | 0.05                | -             | -                          | 0.05                |
| Non-Factory Building* | 371.66              | -            | -                          | 371.66              | 371.66              | -             | -                          | 371.66              |
| Plant And Equipments  | 58.17               | 2.72         | -                          | 60.89               | 60.89               | 10.06         | -                          | 70.95               |
| Furniture And Fixture | 18.64               | 0.73         | -                          | 19.37               | 19.37               | 0.17          | -                          | 19.54               |
| Vehicles              | 554.12              | 17.91        | -                          | 572.03              | 572.03              | 582.92        | 158.80                     | 996.15              |
| Office Equipments     | 1.96                | -            | -                          | 1.96                | 1.96                | -             | -                          | 1.96                |
| Computers             | 53.90               | 1.14         | -                          | 55.04               | 55.04               | 1.41          | -                          | 56.45               |
| <b>TOTAL</b>          | <b>1,223.14</b>     | <b>22.50</b> | <b>-</b>                   | <b>1,245.64</b>     | <b>1,245.64</b>     | <b>594.56</b> | <b>158.80</b>              | <b>1,681.40</b>     |

| PARTICULARS           | DEPRECIATION AND AMORTIZATION |                 |            |                    |                    |                 |               |                    |
|-----------------------|-------------------------------|-----------------|------------|--------------------|--------------------|-----------------|---------------|--------------------|
|                       | Upto<br>01.04.2022            | For<br>The Year | Deductions | Upto<br>31.03.2023 | Upto<br>01.04.2023 | For<br>The Year | Deductions    | Upto<br>31.03.2024 |
| Freehold Land         | -                             | -               | -          | -                  | -                  | -               | -             | -                  |
| Leasehold Land        | -                             | -               | -          | -                  | -                  | -               | -             | -                  |
| Non-Factory Building  | 87.66                         | 5.64            | -          | 93.30              | 93.30              | 5.64            | -             | 98.94              |
| Plant And Equipments  | 41.79                         | 2.60            | -          | 44.39              | 44.39              | 2.83            | -             | 47.23              |
| Furniture And Fixture | 14.84                         | 0.45            | -          | 15.29              | 15.29              | 0.47            | -             | 15.76              |
| Vehicles              | 244.13                        | 61.75           | -          | 305.88             | 305.88             | 66.68           | 108.45        | 264.10             |
| Office Equipments     | 1.74                          | 0.07            | -          | 1.81               | 1.81               | 0.02            | -             | 1.83               |
| Computers             | 50.51                         | 0.59            | -          | 51.10              | 51.10              | 0.68            | -             | 51.78              |
| <b>TOTAL</b>          | <b>440.67</b>                 | <b>71.10</b>    | <b>-</b>   | <b>511.77</b>      | <b>511.77</b>      | <b>76.32</b>    | <b>108.45</b> | <b>479.64</b>      |

| PARTICULARS           | NET BLOCK           |                     |
|-----------------------|---------------------|---------------------|
|                       | As at<br>31.03.2024 | As at<br>31.03.2023 |
| Freehold Land         | 164.64              | 164.64              |
| Leasehold Land        | 0.05                | 0.05                |
| Non-Factory Building  | 272.72              | 278.36              |
| Plant And Equipments  | 23.72               | 16.49               |
| Furniture And Fixture | 3.78                | 4.08                |
| Vehicles              | 732.05              | 266.16              |
| Office Equipments     | 0.13                | 0.15                |
| Computers             | 4.67                | 3.94                |
| <b>TOTAL</b>          | <b>1,201.76</b>     | <b>733.87</b>       |

| 2.1 PARTICULARS     | GROSS BLOCK         |           |                            |                     |                     |           |                            |                     |
|---------------------|---------------------|-----------|----------------------------|---------------------|---------------------|-----------|----------------------------|---------------------|
|                     | As at<br>01.04.2022 | Additions | Deductions/<br>Adjustments | As at<br>31.03.2023 | As at<br>01.04.2023 | Additions | Deductions/<br>Adjustments | As at<br>31.03.2024 |
| Investment Property | 188.98              | -         | -                          | 188.98              | 188.98              | -         | -                          | 188.98              |

| PARTICULARS         | DEPRECIATION AND AMORTIZATION |                 |            |                     |                     |                 |                     |  |
|---------------------|-------------------------------|-----------------|------------|---------------------|---------------------|-----------------|---------------------|--|
|                     | Upto<br>01.04.2022            | For<br>The Year | Deductions | As at<br>31.03.2023 | As at<br>01.04.2023 | For<br>The Year | As at<br>31.03.2024 |  |
| Investment Property | 2.24                          | 2.99            | -          | 5.23                | 5.23                | 2.99            | 8.22                |  |

| PARTICULARS         | NET BLOCK           |                     |
|---------------------|---------------------|---------------------|
|                     | As at<br>31.03.2024 | As at<br>31.03.2023 |
| Investment Property | 180.76              | 183.75              |
| <b>Total</b>        | <b>180.76</b>       | <b>183.75</b>       |

## 2.2 Capital Work in Progress:

|                           |               |
|---------------------------|---------------|
| WDV Balance of 31.03.2024 | 184.03        |
| <b>Total</b>              | <b>184.03</b> |

2.3 Fair value of investment property is not realisable measurable on continuing basis on the market for comparable properties is inactive.

2.4 The Market value of investment property as measured by Circle Rate of Rs. 70,000/- per sq. meter of the Local Area subsequent to the date of Balance Sheet is Rs. 2,23,91,600.

\* Pledged against Bank Borrowings.

|   | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023<br>(Rs. In Lakhs) |
|---|---------------------------------------|---|
| <b>3 Non Current Investments</b>  |                                       |   |
| <b>Investment in Equity Instrument (Unquoted)</b>   |                                       |   |
| <b>Investments Measured at Cost</b>   |                                       |   |
| <b>In Subsidiary Company</b>  |                                       |   |
| Farco Foods Private Limited<br>(9,00,000 equity shares of Rs. 10/- each)  | 27.00                                 | 27.00   |
| <b>Total (A)</b>  | <b>27.00</b>                          | <b>27.00</b>  |
| <b>In Associate Companies</b>   |                                       |   |
| Star Hotels Private Limited<br>(22,65,750 equity shares of Rs. 10/- each)   | 881.43                                | 881.43  |
| Youngtronics India Private limited<br>(85,000 equity shares of Rs. 10/- each)   | 8.50                                  | 8.50  |
| Less:Provision for Diminuation in Investment  | (8.50)                                | (8.50)  |
| 4,60,000, 6% Non-Cumulative Redeemable Preference<br>Shares of Rs. 10/- each of Youngtronics India Pvt. Ltd.          | 46.00                                 | 46.00   |
| Less:Provision for Diminuation in Investment  | (46.00)                               | (46.00)   |
| <b>Total (B)</b>  | <b>881.43</b>                         | <b>881.43</b>   |
| Investment in equity instruments (Unquoted)<br>500 shares of Super Bazar Co-Operative Stores Ltd.<br>of Rs. 10/- each | 0.05                                  | 0.05  |
| <b>Total (C)</b>  | <b>0.05</b>                           | <b>0.05</b>   |
| <b>Total (A+B+C)</b>  | <b>908.48</b>                         | <b>908.48</b>   |
| <b>Aggregate amount of Unquoted Investment</b>  | <b>908.48</b>                         | <b>908.48</b>   |
| <b>Aggregate amount of impairment in value of Investment</b>  | <b>-</b>                              | <b>-</b>  |
| <b>Amount of Investment measured at Cost</b>  | <b>908.48</b>                         | <b>908.48</b>   |
| <b>4 Other Financial Assets</b>   |                                       |   |
| Earmarked Balance with Banks  | 101.51                                | 100.23  |
| Fixed Deposits (Pledged with Govt. Authority)   | 255.44                                | 95.12   |
| <b>Total</b>  | <b>356.95</b>                         | <b>195.35</b>   |
| <b>Current Assets</b>   |                                       |   |
| <b>5 Inventories (At lower of cost and at Net Realizable value)</b>   |                                       |   |
| Work In Progress(Real Estate)   | 10,048.14                             | 13,938.33   |
| Stock-in-trade (Land and Expenses thereon)  | 4,254.02                              | 5,565.28  |
| <b>Total</b>  | <b>14,302.16</b>                      | <b>19,503.61</b>  |

|  | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023<br><small>(Rs. In Lakhs)</small> |
|--|---------------------------------------|--|
| <b>6 Current Investment</b>  |                                       |  |
| <b>Investment in Equity Instruments (Quoted)</b>                   |                                       |  |
| <b>Measured at FVOCI</b>   |                                       |  |
| <b>Units</b>   |                                       |  |
| 1000 Equity Shares of Reliance Infra Limited                       | 2.34                                  | 1.30   |
| (1000) of Rs.10/- Each   |                                       |  |
| 10000 Equity Shares of Cerebra Integrated Technologies             | 0.64                                  | 0.72   |
| (10000) of Rs.10/- Each  |                                       |  |
| <b>Total value of Quoted Investment (A)</b>                        | <b>2.98</b>                           | <b>2.02</b>  |
| <b>Units Investment in Mutual Fund (Unquoted)</b>                  |                                       |  |
| NIL SBI Balanced Avantage Fund (G)                                 | -                                     | 16.29  |
| (152703)   |                                       |  |
| Nil SBI Long term Avantage Fund Series V- Growth                   | -                                     | 317.78   |
| (1999990) of Rs.10/- each  |                                       |  |
| Nil SBI Dividend Yield Fund (G)                                    | -                                     | 10.09  |
| (99995)  |                                       |  |
| NIL Union Hybrid Equity Fund                                       | -                                     | 22.27  |
| (182960.10)  |                                       |  |
| NIL SBI Corporate Bond Fund  | -                                     | 100.00   |
| (765418.20)  |                                       |  |
| Nil Union Balance Avantage Fund                                    | -                                     | 36.67  |
| (242503.26)  |                                       |  |
| NIL Union Flexi Cap Fund   | -                                     | 9.55   |
| (29651.54)   |                                       |  |
| 3399820 Samco Dynamic Asset Allocation Fund                        | 343.25                                | -  |
| (NIL)  |                                       |  |
| 199990 SBI Energy Oppourtunities Fund                              | 20.14                                 | -  |
| (NIL)  |                                       |  |
| 25080.75 SBI Magnum Low Duration Fund                              | 800.00                                | -  |
| (NIL)  |                                       |  |
| <b>Total value of Unquoted Investment (B)</b>                      | <b>1,163.39</b>                       | <b>512.65</b>  |
| <b>TOTAL AGGREGATE VALUE OF INVESTMENT MEASURED AT FVOCI (A+B)</b> | <b>1,166.37</b>                       | <b>514.67</b>  |
| Aggregate amount of Quoted Investment                              | 2.98                                  | 2.02   |
| Aggregate amount of Quoted Investment at Market Value              | 2.98                                  | 2.02   |
| Aggregate amount of Unquoted Investment                            | 1,163.39                              | 512.65   |
| Aggregate amount of Impairment in value of Unquoted Investment     | -                                     | -  |
| <b>7 Trade Receivables *</b>                                       |                                       |  |
| <b>(Carried at Amortised Cost Except otherwise Stated)</b>         |                                       |  |
| Trade Receivables Considered good, Unsecured                       | 120.97                                | 234.18   |
| <b>Total</b>   | <b>120.97</b>                         | <b>234.18</b>  |
| * Refer Note No. 56  |                                       |  |
| <b>8 Cash and Cash Equivalents</b>                                 |                                       |  |
| Balance With Banks   |                                       |  |
| In Current Account   | 354.31                                | 51.96  |
| Cash on Hand   | 14.87                                 | 2.29   |
| <b>Total</b>   | <b>369.18</b>                         | <b>54.25</b>   |

|   | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023<br>(Rs. In Lakhs) |
|---|---------------------------------------|---|
| <b>9 Other Bank Balances</b>  |                                       |   |
| In Flexi Deposit with Bank  | 100.00                                | 155.00  |
| In Fixed Deposit (Pledged against Overdraft Facilities)                           | 1,039.97                              | 1,182.27  |
| <b>Total</b>  | <b>1,139.97</b>                       | <b>1,337.27</b>   |
| <b>10 Loans (Carried at Amortised Cost Except otherwise Stated)</b>               |                                       |   |
| <b>Loans Receivable Considered Good- Unsecured</b>                                |                                       |   |
| Loans to Related Parties  | 489.73                                | 489.73  |
| <b>Loans which have significant increase in Credit Risk</b>                       |                                       |   |
| Loans to Related Parties  | 150.00                                | 150.00  |
|   | 639.73                                | 639.73  |
| Less: Allowance for bad and doubtful debts  | 150.00                                | 150.00  |
| <b>Total</b>  | <b>489.73</b>                         | <b>489.73</b>   |
| <b>11 Other Financial Assets</b>  |                                       |   |
| Interest accrued on FDR with Bank   | 90.76                                 | 17.70   |
| Security Deposit  | 14.85                                 | 12.72   |
| <b>Total</b>  | <b>105.61</b>                         | <b>30.42</b>  |
| <b>12 Other Current Assets</b>  |                                       |   |
| Unsecured Considered good   |                                       |   |
| Prepaid Expenses  | 5.87                                  | 6.25  |
| Advance to Others   | 49.72                                 | 53.01   |
| <b>Total</b>  | <b>55.59</b>                          | <b>59.26</b>  |
| <b>13 Share Capital</b>   |                                       |   |
| <b>Authorised</b>   |                                       |   |
| 62,80,000 Equity Shares of Rs. 10/- each  | 628.00                                | 628.00  |
| 20,000 Cumulative Redeemable Preference Shares of Rs. 100/- each                  | 20.00                                 | 20.00   |
| 8,000 Deferred shares of Rs. 25/- each  | 2.00                                  | 2.00  |
| <b>Total</b>  | <b>650.00</b>                         | <b>650.00</b>   |
| <b>13.1 Issued, Subscribed and Fully Paid Up</b>                                  |                                       |   |
| 25,72,973 (Previous year: 27,01,018) Equity shares of Rs. 10/- each fully paid up | 257.30                                | 270.10  |
| 8,000 (Previous year: 8,000) Deferred shares of Rs. 25/- each                     | 2.00                                  | 2.00  |
| <b>Total</b>  | <b>259.30</b>                         | <b>272.10</b>   |

**13.2 Rights, Preferences and restrictions attached to Shares:**

The Company has Equity & Deferred Shares and all Equity & Deferred Shares rank equally with regard to dividend and share in the Company's residual assets. The Shareholders are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder including deferred shareholder on a poll (not on show of hands) are in proportion to its share in the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. In the event of liquidation of the Company, the holders of shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

**13.3 Reconciliation of Number of shares outstanding at the beginning and end of the year**

| Particulars  | Number of Shares* | Amount |
|--|-------------------|--------|
| Outstanding at the 1st April 2022                  | 27,09,018         | 272.10 |
| Equity shares issued/(Bought back) during the year | -                 | -      |
| Outstanding at the 31st March 2023                 | 27,09,018         | 272.10 |
| Equity shares Bought back during the year          | (1,28,045)        | 12.80  |
| Outstanding at the 31st March 2024                 | 25,80,973         | 259.30 |



The company has Bought Back the following Shares in the immediately preceding five years.

(Rs. In Lakhs)

| Year    | Class of Shares | Aggregate number of Shares |
|---------|-----------------|----------------------------|
| 2018-19 | Equity Shares   | 4,15,000                   |
| 2023-24 | Equity Shares   | 1,28,045                   |

#### 13.4 The details of Shareholders holding more than 5% shares

| Name of Shareholder               | As at 31 <sup>st</sup> March, 2024 |        | As at 31 <sup>st</sup> March, 2023 |        |
|-----------------------------------|------------------------------------|--------|------------------------------------|--------|
|                                   | No. of Shares                      | % Held | No. of Shares                      | % Held |
| Mr. Saleem Iqbal Shervani         | 483639                             | 18.80  | 384980                             | 14.25  |
| Mr. Saeed Mustafa Shervani        | 131386                             | 5.11   | NA                                 | -      |
| M/s Lebensraum Infra Pvt Ltd      | NA                                 | -      | 200221                             | 7.41   |
| M/s Frost Traders Private Limited | 367602                             | 14.29  | 367602                             | 13.61  |

#### 13.5 Shares held by Promoters & Promoters' Group at the end of the Year

| Promoters Name               | No. of Shares held | % of Total Shares | % Change during the year |
|------------------------------|--------------------|-------------------|--------------------------|
| Saleem Iqbal Shervani        | 4,83,639           | 18.80             | 25.63                    |
| Saeed Mustafa Shervani       | 1,31,386           | 5.11              | Nil                      |
| Azher Nisar Shervani         | 1,01,687           | 3.95              | Nil                      |
| Tahir Hasan                  | 13,615             | 0.53              | Nil                      |
| Salma Hasan                  | 61,728             | 2.40              | Nil                      |
| Rubina Shervani              | 66,655             | 2.59              | Nil                      |
| Saad Mustafa Shervani        | 96,130             | 3.74              | Nil                      |
| Mustafa Rashid Shervani      | 76,575             | 2.98              | Nil                      |
| Ursala Fatima Shervani       | 87,835             | 3.41              | Nil                      |
| Zeba Hasan                   | 90,089             | 3.50              | Nil                      |
| Zehra Shervani               | 12,718             | 0.49              | Nil                      |
| Aisra Amrah Fatima Shervani  | 14,580             | 0.57              | Nil                      |
| Shamsiya Fatima Shervani     | 11,790             | 0.46              | Nil                      |
| Mohd. Adil Mustafa Shervani  | 6,925              | 0.27              | Nil                      |
| Azhar Family Trust           | 48,633             | 1.89              | Nil                      |
| Saeed Family Trust           | 49,308             | 1.92              | Nil                      |
| Salma Zeba Family Trust      | 54,645             | 2.12              | Nil                      |
| Saleem Family Trust          | 60,985             | 2.37              | Nil                      |
| Aslam Family Trust           | -                  | -                 | (100)                    |
| Waqf Haji Bhikkan            | 7,840              | 0.30              | Nil                      |
| Lebensraum Infra Pvt Ltd.    | 71,221             | 2.77              | (64.43)                  |
| Shervani Enterprises Pvt Ltd | 1,450              | 0.06              | Nil                      |
| <b>Total</b>                 | <b>15,49,434</b>   | <b>60.23</b>      |                          |

|  | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023<br>(Rs. In Lakhs) |
|--|---------------------------------------|---|
| <b>14 Other Equity</b>   |                                       |   |
| <b>Capital Subsidy Reserve</b>                                       |                                       |   |
| Balance at the beginning of the year                                 | 19.27                                 | 19.27   |
| <b>Balance at the end of the year</b>                                | <b>19.27</b>                          | <b>19.27</b>  |
| <b>General Reserve</b>   |                                       |   |
| Balance at the beginning of the year                                 | 2,971.86                              | 2,971.86  |
| Less: Transfer to Capital Redemption Reserve                         | 12.80                                 | -   |
| Less: Amount Utilised for Buyback                                    | 640.23                                | -   |
| <b>Balance at the end of the year</b>                                | <b>2,318.83</b>                       | <b>2,971.86</b>   |
| <b>Capital Redemption Reserve</b>                                    |                                       |   |
| Balance at the beginning of the year                                 | 75.92                                 | 75.92   |
| Transfer from General Reserve  | 12.80                                 | -   |
| <b>Balance at the end of the year</b>                                | <b>88.72</b>                          | <b>75.92</b>  |
| <b>Capital Reserve on Revaluation of Land</b>                        |                                       |   |
| Balance at the beginning of the year                                 | 5,398.88                              | 6,152.66  |
| Less:- Transfer to Profit and Loss Statement                         | 1,244.03                              | (753.78)  |
| <b>Balance at the end of the year</b>                                | <b>4,154.85</b>                       | <b>5,398.88</b>   |
| <b>Retained Earnings</b>   |                                       |   |
| Balance at the beginning of the year                                 | 3,631.05                              | 3,392.59  |
| Add: Profit/(Loss) as per Profit & Loss Statement                    | 2,975.22                              | 292.88  |
| Less: Final Dividend Paid  | 68.02                                 | 54.42   |
| Add: Items that will not be reclassified to Profit or Loss in future | 0.15                                  | -   |
| <b>Balance at the end of the year</b>                                | <b>6,538.40</b>                       | <b>3,631.05</b>   |
| <b>Other Comprehensive Income(OCI)</b>                               |                                       |   |
| As per last balance sheet  | 112.76                                | 107.61  |
| Add: Movement in OCI(Net of Tax) during the year                     | 4.35                                  | 5.15  |
| Less: Reclassified to Profit/(Loss) on disposal                      | 117.65                                | -   |
| <b>Balance at the end of the year</b>                                | <b>(0.54)</b>                         | <b>112.76</b>   |
| <b>Total</b>   | <b>13,119.53</b>                      | <b>12,209.74</b>  |

**14(a) Capital Subsidy Reserve**  
Capital Subsidy Reserve, represents the subsidy received from the Government in respect of capital investment made under the Central/State Government Investment Scheme.

**14(b) General Reserve**  
General Reserve is the free Reserve arising out of profit earned by the company after appropriation till date.

**14(c) Capital Redemption Reserve**  
Capital Redemption Reserve represents amount of buy back of company's own shares and redemption of preference shares by paying out of Securities Premium Account and General Reserve. This reserve can be utilised in accordance with the provision of Companies Act, 2013.

**14(d) Capital Reserve on Revaluation on Land**  
Capital Reserve on revaluation of land was created at the time of revaluation of land (Stock in trade). This reserve is utilised at the time of sale of land.

**14(e) Retained Earnings**  
Retained earnings represent the cumulative profits of the company and effect of re-measurement of defined benefit obligations. This reserve can be utilised in accordance with the Companies Act, 2013.

**14(f) Other Comprehensive Income**  
Other comprehensive Income (OCI) represents fair value changes of specified items which will be classified to statement of profit and loss in future.

As at  
31<sup>st</sup> March, 2024As at  
31<sup>st</sup> March, 2023  
(Rs. In Lakhs)

## 14.1 Dividend

(a) The following dividends were paid by the Company for the year :

|   | 2023-2024 | 2022-2023 |
|---|-----------|-----------|
| Final Dividend paid for the year ended 31st March 2023<br>- On Ordinary Shares @ Rs.2.50 Per Share<br>- On Deferred Shares @Rs.6.25 Per Share | 68.02     | NIL       |
| Final Dividend paid for the year ended 31st March 2022<br>- On Ordinary Shares @ Rs.2.00 Per Share<br>- On Deferred Shares @Rs.5.00 Per Share | NIL       | 54.42     |

After the reporting date, the Board of Directors proposed dividend as final dividend.

(b) The dividends have not been recognised as liabilities and there are no tax consequences.

|   | 31.03.2024 | 31.03.2023 |
|---|------------|------------|
| Proposed Dividend for the year ended 31st March 2024<br>- On Ordinary Shares @ Rs.20 Per Share<br>- On Deferred Shares @Rs.50 Per Share     | 518.59     | NIL        |
| Proposed Dividend for the year ended 31st March 2023<br>- On Ordinary Shares @ Rs.2.50 Per Share<br>- On Deferred Shares @Rs.6.25 Per Share | NIL        | 68.02      |

**Liabilities****Non Current Liabilities**15 **Borrowings**

Secured Loan

Vehicle Loans (Secured by hypothecation of Vehicles &amp; on personal guarantee of Mr. Saleem I Shervani, Chairman) &amp; Mr. Mustafa R. Shervani (Managing Director)

352.87

31.13

Term Loan (Secured by hypothecation of All Cash Flows, Receivables of the Company &amp; on personal guarantee of Mr. Saleem I Shervani, the Chairman) &amp; Mr. Mustafa R. Shervani (Managing Director)

1,512.63

-

**Total****1,865.50****31.13**

Maturity Proceeds of Loans are as under :-

| Particular   | Repayment Amount |         |         |                   | Total Amount |
|--------------|------------------|---------|---------|-------------------|--------------|
|              | 2024-25          | 2025-26 | 2026-27 | 2027-28 & onwards |              |
| Vehicle Loan | 63.50            | 63.76   | 62.91   | 226.20            | 416.37       |
| Term Loan    | -                | -       | -       | 1,512.63          | 1,512.63     |

16 **Provisions**

Provision for Employee Benefits

-

0.50

**Total****-****0.50**17 **Deferred Tax Assets (Net)****Deferred Tax Assets**

Mat Credit Entitlement

300.25

(0.99)

**Deferred Tax Liabilities**

Related Property, Plant and Equipment

76.42

62.07

**Total****223.83****61.08**

|  | As at<br>31 <sup>st</sup> March, 2024  | As at<br>31 <sup>st</sup> March, 2023<br>(Rs. In Lakhs) |
|--|--|---|
| <b>Current Liability</b>   |  |   |
| <b>Financial Liability</b>   |  |   |
| <b>18 Borrowings</b>   |  |   |
| <b>Secured Loan from Banks</b>   |  |   |
| Current Maturity of Long Term Debt (Refer Note No. 15)   | 63.50  | 16.52   |
| Overdraft from Banks<br>(Secured by hypothecation of Fixed Deposit)  | 1,214.86   | 0.99  |
| State Bank of India CC A/c<br>(Secured by pledge of Inventory on personal guarantee of<br>Mr. Saleem I. Shervani, Chairman & Mr. Tahir Hasan,<br>the Chief Financial Officer of the Company) | -  | 1.54  |
| <b>Total</b>   | <u>1,278.36</u>  | <u>19.05</u>  |
| <b>18.1 Change in Liabilities Arising from Financing Activities</b>  |  |   |
|  | <b>Current Borrowings<br/>including Current Maturity<br/>of Long Term Borrowings</b> | <b>Non Current Borrowings</b>                           |
| Opening balance as at 1st April 2022   | 997.57   | 34.08   |
| Addition/(Deletion) During the year  | (978.52)   | (2.95)  |
| Interest Expenses  | 17.71  | 5.50  |
| Cash Flow ( Net)   | (960.81)   | 2.55  |
| <b>Balance as at March 2023</b>  | <b>19.05</b>   | <b>31.13</b>  |
| Addition/(Deletion) During the year  | 1,259.31   | 1,834.37  |
| Interest Expenses  | 48.95  | 12.42   |
| Cash Flow ( Net)   | 1,308.26   | 1,846.79  |
| <b>Balance as at March 2024</b>  | <b>1,278.36</b>  | <b>1,865.50</b>   |
| <b>19 Trade Payables*</b>  |  |   |
| Dues towards Others  | <u>327.75</u>  | <u>92.77</u>  |
| <b>Total</b>   | <u>327.75</u>  | <u>92.77</u>  |
| *Refer Note No. 57   |  |   |
| <b>20 Other Financial Liabilities</b>  |  |   |
| Unpaid Dividend  | <u>101.35</u>  | <u>100.04</u>   |
| <b>Total</b>   | <u>101.35</u>  | <u>100.04</u>   |
| <b>21 Other Current Liabilities</b>  |  |   |
| Advance from Customer  | 3,056.75   | 10,608.87   |
| Security Deposit   | 84.37  | 114.05  |
| Other Payables*  | <u>616.08</u>  | <u>504.98</u>   |
| <b>Total</b>   | <u>3,757.20</u>  | <u>11,227.90</u>  |
| *Other paybles includes statutory liability, employee liability etc.   |  |   |
| <b>22 Provisions</b>   |  |   |
| Current Tax Liability  | 96.40  | -   |
| Provision For Employee Benefits  | -  | 1.84  |
| <b>Total</b>   | <u>96.40</u>   | <u>1.84</u>   |

|  | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023<br>(Rs. In Lakhs) |
|--|------------------------------|--|
| <b>23 Revenue From Operations</b>  |                              |  |
| Sale of Plot & Flat (including transfer from<br>Revaluation Reserve Rs. 1244.03 Lacs, Previous year Rs. 753.78 Lacs)   | 12,259.52                    | 2,155.79                                       |
| Income from IT Business  | 1,521.94                     | -  |
| <b>Total</b>   | <b>13,781.46</b>             | <b>2,155.79</b>                                |
| <b>24 Other Income</b>   |                              |  |
| Interest Received  | 103.44                       | 70.35  |
| <b>Other Non-Operating Income</b>  |                              |  |
| Rent   | 13.52                        | 14.48  |
| Provision of Liability No Longer Required  | 5.26                         | 0.50   |
| Profit on Sale of Vehicles   | 17.56                        | -  |
| Profit on sale of Investments (Net)  | 204.52                       | 0.17   |
| Dividend Received  | 40.78                        | 33.99  |
| Miscellaneous Receipts   | 7.86                         | 6.42   |
| <b>Total</b>   | <b>392.94</b>                | <b>125.91</b>                                  |
| <b>25 Construction Expenses</b>  | <b>3,395.83</b>              | <b>3,939.08</b>                                |
| <b>Total</b>   | <b>3,395.83</b>              | <b>3,939.08</b>                                |
| <b>26 Change in Inventories of Finished Goods,<br/>Work-in-Progress and Stock-in-Trade<br/>Inventories (at close)</b>  |                              |  |
| Stock-in-Trade (Real Estate)   | 4,254.02                     | 5,565.28                                       |
| Work-in-Progress   | 10,048.14                    | 13,938.33                                      |
|  | <b>14,302.16</b>             | <b>19,503.61</b>                               |
| <b>Inventories (at commencement)</b>   |                              |  |
| Stock-in-Trade (Real Estate)   | 5,565.28                     | 6,306.77                                       |
| Work-in-Progress   | 13,938.33                    | 10,510.49                                      |
| Less: Capital Work-in-Progress- Hospital*  | (42.26)                      | -  |
|  | <b>19,461.35</b>             | <b>16,817.26</b>                               |
| <b>Change in Inventories</b>   | <b>5,159.19</b>              | <b>(2,686.35)</b>                              |
| *The management has decided not to sell the hospital project to customers. Instead hospital project will be used as its own business undertaking / unit. Therefore total expenses amounting to Rs 42.26 Lakh incurred till 31-03-2023 in hospital project has been regrouped as Capital Work in progress under Non-Current Assets. |                              |  |
| <b>27 Employee Benefit Expense</b>   |                              |  |
| Salaries and Wages   | 303.55                       | 167.68   |
| Contribution to Provident and Other Funds  | 23.06                        | 13.02  |
| Staff Welfare Expenses   | 4.64                         | 5.52   |
| <b>Total</b>   | <b>331.25</b>                | <b>186.22</b>                                  |
| <b>28 Finance Cost</b>   |                              |  |
| Interest Paid on Bank Borrowings   | 2.00                         | 0.99   |
| Interest Paid on Vehicle Loan  | 12.42                        | 5.50   |
| Interest Paid on Bank Loan (Project)   | 46.95                        | 16.69  |
|  | <b>61.37</b>                 | <b>23.23</b>                                   |
| Less: Capitalised  | 46.95                        | 16.69  |
|  | <b>14.42</b>                 | <b>6.54</b>                                    |

|  | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023<br>(Rs. In Lakhs) |
|--|------------------------------|--|
| <b>29 Other Expenses</b>   |                              |  |
| Establishment Expenses   |                              |  |
| Rent   | 4.35                         | 4.13   |
| Project Maintenance Expenses   | 341.65                       | 24.08  |
| Repair Buildings   | 13.44                        | 4.39   |
| Insurance  | 7.75                         | 8.12   |
| Rates and Taxes  | 7.66                         | 3.22   |
| Vehicle Maintenance  | 23.24                        | 27.06  |
| Professional Charges   | 41.43                        | 58.23  |
| Travelling and Conveyance Expenses   | 5.18                         | 9.24   |
| Payments to the Auditors   |                              |  |
| As Auditor   | 1.50                         | 1.77   |
| For Other Services   | 0.50                         | 0.59   |
| Directors' Sitting Fee   | 6.75                         | 7.00   |
| GST Paid (on Reverse Charge)   | 1.33                         | 1.62   |
| CSR Expenses   | 4.50                         | 16.00  |
| Electric Charges   | 31.85                        | 27.67  |
| Safety & Protection  | 22.82                        | 21.19  |
| Sanitation   | 14.79                        | 11.65  |
| Expenses related to Share Buyback  | 29.28                        | -  |
| Miscellaneous Expenses   | 92.58                        | 83.26  |
| <b>Total (A)</b>   | <b>650.60</b>                | <b>309.22</b>                                  |
| Selling and Distribution Expenses  | 72.44                        | 55.63  |
| Brokerage  | -                            | 33.05  |
| <b>Total (B)</b>   | <b>72.44</b>                 | <b>88.68</b>                                   |
| <b>Total (A+B)</b>   | <b>723.04</b>                | <b>397.90</b>                                  |
| <b>30 Earning Per Share</b>  |                              |  |
| Net profit available for equity shareholders<br>(Numerator used for calculation)                                 | 2,975.22                     | 292.88   |
| Number of Equity Shares<br>(Used as Denominator for calculating EPS)   | 25.92                        | 27.21  |
| Basic Earning per share of Rs. 10/- [in Rs.]   | 114.79                       | 10.76  |
| Diluted Earning per share of Rs. 10/- [in Rs.]   | 109.10                       | 10.76  |
| <b>31 Tax Expenses</b>   |                              |  |
| <b>Amount recognised in Profit and Loss</b>  | <b>31.03.2024</b>            | <b>31.03.2023</b>                              |
| Income tax for the year  | 269.18                       | 61.00  |
| Adjustment/(Credits) related to previous year -Net   | (0.63)                       | (0.11)   |
| <b>Total Tax</b>   | <b>268.55</b>                | <b>60.89</b>                                   |
| <b>Deferred Tax</b>  |                              |  |
| Deferred Tax for the year  | 15.35                        | (10.49)  |
| <b>Total Deferred Tax</b>  | <b>15.35</b>                 | <b>(10.49)</b>                                 |
| <b>Total Tax Expense</b>   | <b>283.90</b>                | <b>(71.38)</b>                                 |
| <b>B. Amount recognised in other Comprehensive Income</b>  |                              |  |
| The tax (charge)/credit arising on income and expenses<br>recognised in other comprehensive income is as follows | -                            | -  |
| <b>Deferred Tax</b>  |                              |  |
| On items that will not be reclassified to Profit or Loss   | -                            | -  |
| On items that will be reclassified to Profit or Loss   | -                            | -  |
| <b>Total</b>   | -                            | -  |

|  | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023<br>(Rs. In Lakhs) |
|--|------------------------------|--|
| <b>Reconciliation of effective tax rate</b>  |                              |  |
| The income tax expense for the year can be reconciled to the accounting profit as follows    |                              |  |
| Profit Before Tax  | 3,259.12                     | 364.26   |
| Applicable Tax Rate  | 27.00                        | 27.00  |
| Computed Tax Expense   | 879.96                       | 97.44  |
| Adjustment in respect of current Income Tax of Previous Year                                 | (0.63)                       | (0.11)   |
| Tax effect of  |                              |  |
| Exempted Income  | -                            | -  |
| Expenses Allowed/Disallowed under Income Tax Act (Net)                                       | 1991.45                      | 123.80   |
| Tax Adjustment of last years   | (0.63)                       | (0.11)   |
| <b>Current Tax Provisions (A)</b>  | <b>268.55</b>                | <b>60.89</b>                                   |
| Incremental Deferred Tax Asset / (Liability) on account of Tangible and Intangible Assets    | 14.85                        | 1.42   |
| Incremental Deferred Tax Asset / (Liability) on account other Timing Differences             | 0.50                         | 9.07   |
| <b>Deferred Tax Asset / (Liability) (B)</b>  | <b>15.35</b>                 | <b>10.49</b>                                   |
| Adjustments recognised in the current year in relation to the current tax of prior years (C) | -                            | -  |
| Tax Expenses recognised in Statement of Profit and Loss (A-B-C)                              | 283.90                       | 71.38  |
| Effective Tax Rate   | 9.00                         | 20.00  |

31.1 The Company is entitled for MAT Credit Entitlement (as per Income tax Return) amounting to Rs. 895 Lacs but was not adjusted in the books in the relevant previous years due to non probability of future taxable profit for utilising the MAT Credit Entitlement in the foreseeable future. Therefore, earlier years MAT Credit Entitlement has not been accounted for in the books in Current Year & will be adjusted in the Books in the year when it will utilised.

### 32 Disclosure in regards to Corporate Social Responsibility Expenditure:-

a. Amount spent during the year on:

|  | Year ended<br>March 31, 2024 |                      |             |
|--|------------------------------|----------------------|-------------|
|  | Actually Paid                | Yet to be paid (Rs.) | Total (Rs.) |
| i) Construction/Acquisition of Any Asset | -                            | -                    | -           |
| ii) Other Purposes:                      |                              |                      |             |
| Health Care                              | 4.50                         | -                    | 4.50        |

The disclosure in respect of CSR expenditure for the FY 2023-24 and 2022-23 are as under:

| S.No. | Particulars   | 31.03.2024 | 31.03.2023 |
|-------|---|------------|------------|
| 1     | As per section 135 of the Companies Act, 2013 read with Schedule VII thereof Gross amount required to be spent by the Company |            |            |
|       | Amount spent during the year  |            |            |
|       | a) Construction/Acquisition of any Asset  |            |            |
|       | In Cash   | NIL        | NIL        |
|       | Yet to be paid in Cash  | NIL        | NIL        |
|       | b) On Purpose other than (a) above  |            |            |
|       | In Cash   | 4.82       | 19.05      |
|       | Yet to be paid in Cash  | NIL        | NIL        |
|       | Unspent at the end of the year  | NIL        | NIL        |
|       | Total of previous year unspent  | NIL        | NIL        |

(Rs. in Lakh)

## Nature of CSR Activities

| Particulars  | Recent Clause<br>of Schedule VII to<br>the Companies Act, 2013 | 31.03.2024 | 31.03.2023 |
|--|--|------------|------------|
| a) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water  | (i)  | 4.50       | 16.00      |
| b) Promoting education, including special education and employment enhancing vocational training and livelihood enhancement project  | (ii)   | -          | -          |
| c) Promoting gender equality and empowering women  | (iii)  | -          | -          |
| d) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;   | (v)  | -          | -          |
| e) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;  | (viii)   | -          | -          |
| f) Rural Development Projects  | (x)  | -          | -          |
| g) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water [including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga]. | (iv)   | -          | -          |
| h) Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports  | (vii)  | -          | -          |
| Total  |  | 4.50       | 16.00      |

## Details of Unspent amount under section 135 (5) of the Companies Act 2013 -

| Opening Balance | Amount deposited<br>in specified fund of<br>Sch VII within six months | Amount required<br>to be spent<br>during the year | Amount spent<br>during the year |
|-----------------|---|---|---------------------------------|
| -               | -   | -   | -                               |

## Details of Excess amount spent under section 135 (5) of the Companies Act 2013 -

| Opening Balance | Amount required<br>to be spent<br>during the year | Amount spent<br>during the year | Closing Balance |
|-----------------|---|---------------------------------|-----------------|
| (0.53)          | 4.82  | 4.50                            | 0.21            |

## Details of Ongoing Projects along with-

| In case of section 135(6) of the Companies Act 2013 (Ongoing Project) (to be given year-wise) |                                |   |                                 |                            |                                      |
|---|--------------------------------|---|---------------------------------|----------------------------|--------------------------------------|
| Opening Balance   |                                | Amount required<br>to be spent<br>during the year | Amount spent<br>during the year | Closing Balance            |                                      |
| Opening Balance   | In separate CSR<br>Unspent A/c |   | From Company's<br>Bank A/c      | From Company's<br>Bank A/c | From Separate CSR<br>Unspent Account |
| NIL   |                                |   |                                 |                            |                                      |

\*Aforesaid amount will be utilized as per applicable provisions of the Companies Act.



**33 Investments and Loans outstanding in Subsidiary Company**

| Name of Company       | % of Shareholding | Investment in Shares | Loan Balance Outstanding | Provision Made |
|-----------------------|-------------------|----------------------|--------------------------|----------------|
| Farco Foods Pvt. Ltd. | 100               | 27.00                | 639.73                   | 150.00         |

Looking to the financial position of Farco Foods Pvt. Ltd., Wholly Owned Subsidiary of the Company, the Management has decided to continue with the provision of Rs. 150 Lakhs till further improvement.

**34 Employee Benefits****A. Gratuity**

| Amounts in Balance Sheet                          | Increase/(Decrease) | 31-Mar-24   | 31-Mar-23 |
|---|---------------------|-------------|-----------|
| Defined Benefit Obligation (DBO)                  | 4,30,368            | 22,02,344   | 17,71,976 |
| Fair Value of Plan Assets                         | 15,39,444           | 32,17,200   | 16,77,756 |
| Funded Status - (Surplus)/Deficit                 | (11,09,076)         | (10,14,856) | 94,220    |
| Unrecognized Past Service Cost / (Credit)         | -                   | -           | -         |
| Unrecognised Asset due to Limit in Para 64(b)     | -                   | -           | -         |
| Liability/(Asset) recognised in the Balance Sheet | (11,09,076)         | (10,14,856) | 94,220    |

[ Reference : Ind AS 19 para 120A (f) ]

| Amount Recognised in the Statement of Profit & Loss                        | Increase/(Decrease) | 31-Mar-24  | 31-Mar-23  |
|--|---------------------|------------|------------|
| Current Service Cost   | (19,003)            | 1,96,973   | 2,15,976   |
| Interest Cost  | (18,275)            | 1,23,426   | 1,41,701   |
| Expected Return on Plan Assets   | 53,267              | (1,20,010) | (1,73,277) |
| Past Service Cost  | -                   | -          | -          |
| (Gain)/Loss due to Settlements/<br>Curtailements/Acquisitions/Divestitures | -                   | -          | -          |
| Total Expense/(Income) included in "Employee Benefit Expense"              | 15,989              | 2,00,389   | 1,84,400   |

[ Reference : Ind AS 19 para 120A (g) ]

| Amount recognised in Other Comprehensive Income (OCI) | Increase/(Decrease) | 31-Mar-24  | 31-Mar-23   |
|---|---------------------|------------|-------------|
| Amount recognized in OCI, Beginning of Period         | 3,39,429            | (7,78,722) | (11,18,150) |
| Remeasurements due to                                 |                     |            |             |
| Effect of Change in financial assumptions [C]         | 55,363              | 77,114     | 21,751      |
| Effect of Change in demographic assumptions [D]       | -                   | -          | -           |
| Effect of experience adjustments [E]                  | (90,217)            | 32,855     | 1,23,072    |
| Actuarial (Gains)/Losses ( C+ D +E )                  | (34,854)            | 1,09,969   | 1,44,823    |
| Return on plan assets (excluding interest)            | 2,14,040            | 19,434     | (1,94,606)  |
| Total remeasurements recognized in OCI                | (2,48,894)          | 90,535     | 3,39,429    |
| Amount recognized in OCI, End of Period               | 90,535              | (6,88,186) | (7,78,722)  |

[ Reference : Ind AS 19 para 120A (i) ]

| Actual Return on Plan Assets            | Increase/(Decrease) | 31-Mar-24 | 31-Mar-23  |
|---|---------------------|-----------|------------|
| Interest Income Plan Asset              | (53,267)            | 1,20,010  | 1,73,277   |
| Actuarial Gains/(Losses) on Plan Assets | 2,14,040            | 19,434    | (1,94,606) |
| Actual Return on Plan Assets            | 1,60,773            | 1,39,444  | (21,329)   |

[ Reference : Ind AS 19 para 120A (m) ]  
Appendix A : Ind AS 19 Disclosures

| Change in Present Value of Benefit Obligation during the Period | Increase/(Decrease) | 31-Mar-24 | 31-Mar-23   |
|---|---------------------|-----------|-------------|
| Defined Benefit Obligation, Beginning of Period                 | (8,82,115)          | 17,71,976 | 26,54,091   |
| Current Service Cost  | (19,003)            | 1,96,973  | 2,15,976    |
| Interest Cost   | (18,275)            | 1,23,426  | 1,41,701    |
| Actual Plan Participants' Contributions                         | -                   | -         | -           |
| Actuarial (Gains)/Losses  | (34,854)            | 1,09,969  | 1,44,823    |
| Acquisition/Business Combination/Divestiture                    | -                   | -         | -           |
| Actual Benefits Paid  | 13,84,615           | -         | (13,84,615) |

|  |                 |                  |                  |
|--|-----------------|------------------|------------------|
| Past Service Cost                                | -               | -                | -                |
| Changes in Foreign Currency Exchange Rates       | -               | -                | -                |
| Loss / (Gains) on Curtailments                   | -               | -                | -                |
| Liabilities Extinguished on Settlements          | -               | -                | -                |
| <b>Defined Benefit Obligation, End of Period</b> | <b>4,30,368</b> | <b>22,02,344</b> | <b>17,71,976</b> |
| [ Reference : Ind AS 19 para 120A (c) ]          |                 |                  |                  |

| <b>Change in Fair Value of Plan Assets during the Period</b> | <b>Increase/(Decrease)</b> | <b>31-Mar-24</b> | <b>31-Mar-23</b> |
|--|----------------------------|------------------|------------------|
| Fair value of Plan Assets, Beginning of Period               | (14,05,944)                | 16,77,756        | 30,83,700        |
| Interest Income Plan Asset                                   | (53,267)                   | 1,20,010         | 1,73,277         |
| Actual Enterprise's Contributions                            | 14,00,000                  | 14,00,000        | -                |
| Actual Plan Participants' Contributions                      | -                          | -                | -                |
| Actual Benefits Paid   | 13,84,615                  | -                | (13,84,615)      |
| Actuarial Gains/(Losses)                                     | 2,14,040                   | 19,434           | (1,94,606)       |
| Acquisition/Business Combination/Divestiture                 | -                          | -                | -                |
| Changes in Foreign Currency Exchange Rates                   | -                          | -                | -                |
| Liabilities Extinguished on Settlements                      | -                          | -                | -                |
| <b>Fair Value of Plan Assets, End of Period</b>              | <b>15,39,444</b>           | <b>32,17,200</b> | <b>16,77,756</b> |
| [ Reference : Ind AS 19 para 120A (e) ]                      |                            |                  |                  |

| <b>Current / Non Current Benefit Obligation</b>   | <b>Increase/(Decrease)</b> | <b>31-Mar-24</b> | <b>31-Mar-23</b> |
|---|----------------------------|------------------|------------------|
| Current Liability                                 | -                          | -                | -                |
| Non Current Liability                             | (11,09,076)                | (10,14,856)      | 94,220           |
| Liability/(Asset) Recognised in the Balance Sheet | (11,09,076)                | (10,14,856)      | 94,220           |
| [ Reference : Revised Companies' Schedule IV ]    |                            |                  |                  |
| Appendix A : Ind AS 19 Disclosures                |                            |                  |                  |

| <b>Other Items</b>   | <b>Increase/(Decrease)</b> | <b>31-Mar-24</b> | <b>31-Mar-23</b> |
|--|----------------------------|------------------|------------------|
| Expected Contributions for the next financial year                 | (94,220)                   | -                | 94,220           |
| Decrement adjusted estimated tenure of Actuarial liability (years) | (0.47)                     | 15.77            | 16.25            |
| [ Reference : Ind AS 19 para 120A (q) ]                            |                            |                  |                  |

| <b>Recognition of Actuarial Gain / Loss</b>     | <b>Increase/(Decrease)</b> | <b>31-Mar-24</b> | <b>31-Mar-23</b> |
|---|----------------------------|------------------|------------------|
| Actuarial (Gain)/Loss arising on DBO            | (34,854)                   | 1,09,969         | 1,44,823         |
| Actuarial (Gain)/Loss arising on Plan Assets    | (2,14,040)                 | (19,434)         | 1,94,606         |
| Total (Gain)/Loss recognized during the period  | (2,48,894)                 | 90,535           | 3,39,429         |
| Unrecognized Actuarial (Gain)/Loss, End of Year | -                          | -                | -                |

#### Appendix D : Actuarial Assumptions

The principal assumptions used for reporting period 31 March, 2023 and 31 March, 2024 are summarized in the table below. The assumptions as at the balance sheet date are used to determine the defined benefit obligation & employee benefit expense.

| <b>Financial Assumptions</b>   | <b>Increase/(Decrease)</b> | <b>31-Mar-24</b>                              | <b>31-Mar-23</b>                              |
|--------------------------------|----------------------------|---|---|
| Discount Rate                  | -0.30%                     | 6.95%   | 7.25%   |
| Salary Escalation Rate         | 0.00%                      | 7.00%   | 7.00%   |
| Expected Return on Assets      | -0.30%                     | 6.95%   | 7.25%   |
| <b>Demographic Assumptions</b> | <b>Increase/(Decrease)</b> | <b>31-Mar-24</b>                              | <b>31-Mar-23</b>                              |
| Mortality Table*               |                            | Indian Assured Lives Mortality (2012-14) Ult. | Indian Assured Lives Mortality (2012-14) Ult. |
| Withdrawal Rate                | 0.00%                      | 1.00%   | 1.00%   |
| Retirement Age                 |                            | 58 years or 70 years                          | 58 years or 70 years                          |

**Timing Related Assumptions**

|                           |  |
|---------------------------|--|
| Time of Retirement        | Immediately on achieving normal retirement |
| Salary Increase frequency | Once a year                                |

\* Mortality Rates : Representative mortality rates from Indian Assured Lives Mortality (2012-14) Ult. are given in the table below.

| Age | Rate      | Age | Rate      |
|-----|-----------|-----|-----------|
| 20  | 0.0009240 | 45  | 0.0025790 |
| 25  | 0.0009310 | 50  | 0.0044360 |
| 30  | 0.0009770 | 55  | 0.0075130 |
| 35  | 0.0012020 | 60  | 0.0111620 |
| 40  | 0.0016800 |     |           |

**B. Leave Encashment**

| Amounts in Balance Sheet                          | Increase/(Decrease) | 31-Mar-24  | 31-Mar-23  |
|---|---------------------|------------|------------|
| Defined Benefit Obligation (DBO)                  | 57,447              | 6,50,610   | 5,93,163   |
| Fair value of plan Assets                         | 1,13,130            | 15,88,102  | 14,74,972  |
| Funded Status - (Surplus)/Deficit                 | (55,683)            | (9,37,492) | (8,81,809) |
| Unrecognized Past Service Cost / (Credit)         | -                   | -          | -          |
| Unrecognised Asset due to Limit in Para 64(B)     | -                   | -          | -          |
| Liability/(Asset) Recognised in the Balance Sheet | (55,683)            | (9,37,492) | (8,81,809) |

[ Reference : Ind AS19 para 120A (f) ]

| Amount Recognised in Statement of Profit & Loss                           | Increase/(Decrease) | 31-Mar-24  | 31-Mar-23  |
|---|---------------------|------------|------------|
| Current Service Cost  | (69,856)            | 1,15,110   | 1,84,966   |
| Interest Cost   | (25,476)            | 43,004     | 68,481     |
| Expected Return on Plan Assets  | (1,03,248)          | (1,03,248) | -          |
| Past Service Cost   | -                   | -          | -          |
| Net Actuarial Losses/(Gains)  | 92,592              | (1,10,550) | (2,03,141) |
| (Gain)/Loss due to Settlements/<br>Curtailments/Acquisitions/Divestitures | -                   | -          | -          |
| Unrecognised Asset due to Limit in Para 59(B)                             | -                   | -          | -          |
| Total Expense/(Income) included in "Employee Benefit Expense"             | (1,05,988)          | (55,683)   | 50,305     |

[ Reference : Ind AS19 para 120A (g) ]

| Actual Return on Plan Assets            | Increase/(Decrease) | 31-Mar-24 | 31-Mar-23 |
|---|---------------------|-----------|-----------|
| Expected Return on Plan Assets          | 1,03,248            | 1,03,248  | -         |
| Actuarial Gains/(Losses) on Plan Assets | (65,090)            | 9,882     | 74,972    |
| Actual Return on Plan Assets            | 38,158              | 1,13,130  | 74,972    |

[ Reference : Ind AS19 para 120A (m) ]

Appendix A : Ind AS 19 Disclosures

| Change in Present value of Benefit Obligation during the Period | Increase/(Decrease) | 31-Mar-24 | 31-Mar-23 |
|---|---------------------|-----------|-----------|
| Defined Benefit Obligation, Beginning of Period                 | (8,02,372)          | 5,93,163  | 13,95,535 |
| Current Service Cost  | (69,856)            | 1,15,110  | 1,84,966  |
| Interest Cost   | (25,476)            | 43,004    | 68,481    |
| Actual Plan Participants' Contributions                         | -                   | -         | -         |

|  |          |            |            |
|--|----------|------------|------------|
| Actuarial (Gains)/Losses                     | 27,502   | (1,00,667) | (1,28,169) |
| Acquisition/Business Combination/Divestiture | -        | -          | -          |
| Actual Benefits Paid                         | 9,27,649 | -          | (9,27,649) |
| Past Service Cost                            | -        | -          | -          |
| Changes in Foreign Currency Exchange Rates   | -        | -          | -          |
| Loss / (Gains) on Curtailments               | -        | -          | -          |
| Liabilities Extinguished on Settlements      | -        | -          | -          |
| Defined Benefit Obligation, End of Period    | 57,447   | 6,50,610   | 5,93,163   |
| [ Reference : Ind AS19 para 120A (c) ]       |          |            |            |

| <b>Change in Fair value of Plan Assets during the Period</b> | <b>Increase/(Decrease)</b> | <b>31-Mar-24</b> | <b>31-Mar-23</b> |
|--|----------------------------|------------------|------------------|
| Fair value of Plan Assets, Beginning of Period               | 14,74,972                  | 14,74,972        | -                |
| Expected Return on Plan Assets                               | 1,03,248                   | 1,03,248         | -                |
| Actual Enterprise's Contributions                            | (23,27,649)                | -                | 23,27,649        |
| Actual Plan Participants' Contributions                      | -                          | -                | -                |
| Actual Benefits Paid   | 9,27,649                   | -                | (9,27,649)       |
| Actuarial Gains/(Losses)                                     | (65,090)                   | 9,882            | 74,972           |
| Acquisition/Business Combination/Divestiture                 | -                          | -                | -                |
| Changes in Foreign Currency Exchange Rates                   | -                          | -                | -                |
| Liabilities Extinguished on Settlements                      | -                          | -                | -                |
| Fair Value of Plan Assets, End of Period                     | 1,13,130                   | 15,88,102        | 14,74,972        |
| [ Reference : Ind AS19 para 120A (e) ]                       |                            |                  |                  |

| <b>Current / Non Current Benefit Obligation</b>   | <b>Increase/(Decrease)</b> | <b>31-Mar-24</b> | <b>31-Mar-23</b> |
|---|----------------------------|------------------|------------------|
| Current Liability                                 | -                          | -                | -                |
| Non Current Liability                             | (55,683)                   | (9,37,492)       | (8,81,809)       |
| Liability/(Asset) Recognised in the Balance Sheet | (55,683)                   | (9,37,492)       | (8,81,809)       |
| [ Reference : Revised Companies' Schedule IV ]    |                            |                  |                  |
| Appendix A : Ind AS 19 Disclosures                |                            |                  |                  |

| <b>Other Items</b>   | <b>Increase/(Decrease)</b> | <b>31-Mar-24</b> | <b>31-Mar-23</b> |
|--|----------------------------|------------------|------------------|
| Expected Contributions for the next financial year                 |                            | -                | -                |
| Decrement adjusted estimated tenure of Actuarial liability (years) | (0.44)                     | 15.96            | 16.40            |
| [ Reference : Ind AS19 para 120A (q) ]                             |                            |                  |                  |

#### Appendix D : Actuarial Assumptions

The principal assumptions used for reporting period 31st March, 2023 and 31st March, 2024 are summarized in the table below. The assumptions as at the balance sheet date are used to determine the defined benefit obligation & employee benefit expense.

| <b>Financial Assumptions</b>   | <b>Increase/(Decrease)</b> | <b>31-Mar-24</b>                              | <b>31-Mar-23</b>                              |
|--------------------------------|----------------------------|---|---|
| Discount Rate                  | -0.30%                     | 6.95%   | 7.25%   |
| Salary Escalation Rate         | 0.00%                      | 7.00%   | 7.00%   |
| Expected Return on Assets      | 0.00%                      | 7.00%   | 7.00%   |
| <b>Demographic Assumptions</b> | <b>Increase/(Decrease)</b> | <b>31-Mar-24</b>                              | <b>31-Mar-23</b>                              |
| Mortality Table *              |                            | Indian Assured Lives Mortality (2012-14) Ult. | Indian Assured Lives Mortality (2012-14) Ult. |
| Withdrawal Rate                | 0.00%                      | 1.00%   | 1.00%   |
| Availment Percentage           |                            | 0.00%   | 0.00%   |
| Retirement Age                 |                            | 58 years                                      | 58 years                                      |

**Timing Related Assumptions**

|                           |  |
|---------------------------|--|
| Time of Retirement        | Immediately on achieving normal retirement |
| Salary Increase frequency | Once a year                                |

\* Mortality Rates : Representative mortality rates from Indian Assured Lives Mortality (2012-14) Ult. are given in the table below.

| Age | Rate      | Age | Rate      |
|-----|-----------|-----|-----------|
| 20  | 0.0009240 | 45  | 0.0025790 |
| 25  | 0.0009310 | 50  | 0.0044360 |
| 30  | 0.0009770 | 55  | 0.0075130 |
| 35  | 0.0012020 | 60  | 0.0111620 |
| 40  | 0.0016800 |     |           |

**35 Related Party Disclosures as required under Ind AS-24 are given below**

Related Party disclosures as required under section 188 of Companies Act, 2013 has been made with whom transactions has been made during the year.

**Wholly Owned Subsidiary Company**

Farco Foods Private Limited

**Associate Companies**

Star Hotels Private Limited

Youngtronics India Private Limited

**Key Managerial Personnel (KMP)**

Mr. Mustafa Rashid Shervani, Managing Director

Mr. Tahir Hasan, Chief Financial Officer

Mr. S. K. Shukla, Company Secretary

**Executive Directors**

Mr. Saleem Iqbal Shervani, Chairman

Mr. Sadiq Husain Siddiqui, Director (Corporate Affairs)

**Non Executive Directors**

Dr. A.P. Singh, Director, Independent Non Executive

Mr. G.S. Chaturvedi, Director, Independent Non Executive

Mr. Mohd. Aslam Sayeed, Director, Independent Non Executive

Mr. Raju Verghese, Director, Independent Non Executive

Ms. Aradhika Chopra, Director, Independent Non Executive

**Relatives**

Mrs. Salma Hasan

Mr. Yasser Niaz Hasan

Mrs. Iram Ibrahim Shervani

Mr. Sajid Husain Siddiqui

**Related parties with whom transactions have taken place**

(Rs. In Lakhs)

|   | KMP     | Relative of KMP<br>and Other Directors | Associate Companies | Subsidiary Company |
|---|---------|--|---------------------|--------------------|
| <b>Short Term Benefits (Remuneration)</b> |         |  |                     |                    |
| Current Year                              | 58.22   | 34.05                                  | -                   | -                  |
| (Previous Year)                           | (47.65) | (34.09)                                | -                   | -                  |
| <b>Employee Benefit Expenses</b>          |         |  |                     |                    |
| Current Year                              | 8.89    | 1.74                                   | -                   | -                  |

|   |        |         |        | (Rs. In Lakhs) |
|---|--------|---------|--------|----------------|
| (Previous Year)   | (6.53) | (4.85)  | -      | -              |
| <b>Rent Paid</b>  |        |         |        |                |
| Current Year  | -      | -       | -      | -              |
| (Previous Year)   | -      | -       | -      | -              |
| <b>Rent Received</b>  |        |         |        |                |
| Current Year  | -      | -       | 1.05   | -              |
| (Previous Year)   | -      | -       | (1.07) | -              |
| <b>Sitting Fee</b>  |        |         |        |                |
| Current Year  | 6.75   | -       | -      | -              |
| (Previous Year)   | (7.50) | -       | -      | -              |
| <b>Loans</b>  |        |         |        |                |
| Balance(Net of Provision) at the beginning and at the end of the year |        |         |        |                |
| Current Year  | -      | -       | -      | 489.73         |
| (Previous Year)   | -      | -       | -      | (489.73)       |
| <b>Selling Commission</b>   |        |         |        |                |
| Current Year  | -      | 2.44    | -      | -              |
| (Previous Year)   | -      | (33.05) | -      | -              |

**36 Loan Given (ICD)**

No terms of repayment have been specified regarding loan granted to Farco Foods Private Limited, the wholly owned subsidiary of the Company, of Rs. 639.73 Lacs (Rs. 489.73 Lacs net of Provision) being 100 % of total loans and advances in the nature of Loan.

**37** Balance of personal account of Trade Receivable, Trade Payable, Unsecured Loans, Loans and advances, Security Deposits and other has not been confirmed and are subject to confirmation by the parties.

**38** The Company has not received the required information from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/ payable as required under the said Act could not be prepare.

**39 Contingent Liabilities and Commitments**

(Rs. In Lakhs)

|     | Particulars  | As At 31st March, 2024 | As At 31st March, 2023 |
|-----|--|------------------------|------------------------|
| (a) | In respect of Income Tax Demand for Assessment Year 2018-19 for which appeal is filed with Income Tax Department | 2839.62*               | 2839.62                |
| (b) | In respect of Income Tax Demand for Assessment Year 2010-11 for which appeal is filed with Income Tax Department | 109.54                 | 109.54                 |

\*Rs. 223.29 Lakh has been deposited against demand of A.Y. 2018-19.

**COMMITMENT**

|  |     |     |
|--|-----|-----|
| Estimated amount of contracts remaining to be executed on capital account and not provided for | Nil | Nil |
| Other commitment   | Nil | Nil |

**40 Financial Instruments and Related Disclosures Capital Management:**

The Company's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The Company funds its operations basically through internal accruals. The Company aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern.

(Rs. In Lakhs)

| Categories of Financial Instruments          |         | As at 31st March, 2024 |                | As at 31st March, 2023 |                |
|--|---------|------------------------|----------------|------------------------|----------------|
| Particulars                                  | Note    | Carrying Value         | Fair Value     | Carrying Value         | Fair Value     |
| <b>A. FINANCIAL ASSETS</b>                   |         |                        |                |                        |                |
| <b>a) Measured at amortized cost</b>         |         |                        |                |                        |                |
| Trade Receivables                            | 7       | 120.97                 | 120.97         | 234.18                 | 234.18         |
| Cash and Cash Equivalents                    | 8       | 369.18                 | 369.18         | 54.25                  | 54.25          |
| Other Bank Balances                          | 9       | 1139.97                | 1139.97        | 1337.27                | 1337.27        |
| Loans  | 10      | 489.73                 | 489.73         | 489.73                 | 489.73         |
| Other Financial Assets                       | 11      | 105.61                 | 105.61         | 30.42                  | 30.42          |
| <b>Sub-total</b>                             |         | <b>2225.46</b>         | <b>2225.46</b> | <b>2660.52</b>         | <b>2660.52</b> |
| <b>b) Measured at fair value through OCI</b> |         |                        |                |                        |                |
| Investments                                  | 6       | 1166.37                | 1166.37        | 509.52                 | 514.67         |
| <b>Total Financial Assets</b>                |         | <b>3391.83</b>         | <b>3391.83</b> | <b>2665.67</b>         | <b>2660.52</b> |
| <b>B. FINANCIAL LIABILITIES</b>              |         |                        |                |                        |                |
| <b>Measured at amortized cost</b>            |         |                        |                |                        |                |
| Borrowings                                   | 15 & 18 | 3143.86                | 3143.86        | 50.18                  | 50.18          |
| Trade Payables                               | 19      | 327.75                 | 327.75         | 92.77                  | 92.77          |
| Other Financial Liabilities                  | 20      | 101.35                 | 101.35         | 100.04                 | 100.04         |
| <b>Total Financial Liabilities</b>           |         | <b>3572.96</b>         | <b>3572.96</b> | <b>242.99</b>          | <b>242.99</b>  |

**41 FINANCIAL RISK MANAGEMENT OBJECTIVES:**

The Company's has proper system of risk management policies and procedure and internal financial control aimed at ensuring early identification Evaluation and Management of key financial risks (Such as credit risk, liquidity risk and market risk) that may cause as a consequence of business of operation as well as its investing and financial activities. Risk management policies and systems are reviewed regularly to reflect changes in market condition and the Company's activities.

The Company has exposure to the following risks arising from financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

**Credit Risk :**

The risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Company's historical experience of collecting receivables and the level of default indicate credit risk is low. The Company established an allowance for impairment that represents its expected credit losses in respect of trade receivable, loans and other receivable. During the year based on specific assessment, the Company has not recognised any trade receivable, loans and other receivable as bad debts.

**Liquidity Risk :**

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Prudent The company's approach to managing liquidity is to ensure, as far as possible, that the company will have sufficient liquidity to meets its liabilities when they are due under both normal and stressed conditions without incurring unacceptable loss or damage to the company's goodwill/ reputation .

The company's current assets aggregate to Rs. 17749.58 lacs, Rs. (22223.39) lacs against an aggregate current liability of Rs. 5561.05 lacs, Rs. (11,670.29) lacs. non current liability of Rs. 1865.50 lacs, Rs. (92.71) Lacs on the reporting date 31-03-2024 and Previous year ended (31.03.2023) respectively. Further, while the company's total equity Rs. 13378.84 lacs, Rs. (12481.84) lacs. It has total Borrowings Rs. 3143.86 lacs, Rs. (50.18) lacs .

In above circumstances, liquidity risk or the risk that the company may not be able to settle or meet obligations as they become due does not exist.

**Market Risk :**

The risk that the fair value or future Cash Flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

The Company is not an active investor in equity markets. The Company invests in mutual fund schemes of leading fund houses. Such an investments are susceptible to market price risk that arise mainly from changes in interest rate which may impact the return and value of such investments.

**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 markets for identical assets or liabilities that the entity can access at the measurement date. A quoted price in an active market provides the most reliable evidence of fair value and shall be used without adjustment to measure fair value.

**Level 2:**

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3:**

Level 3 inputs are unobservable inputs for the asset or liability. Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available.

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

- 42 The Government of India on September 20, 2019, vide the Taxation Law (Amendment) Ordinance 2019, inserted a new section 115BAA in the Income Tax Act, 1961 which provides domestic companies a non-reversible option to pay Corporate Tax at reduced rate effective, April 01, 2019, subject to certain conditions. The Company is continuing to provide for income tax at old rates based on the available unutilised minimum alternative tax credit.
- 43 Previous year's figures have been regrouped/reclassified and restated wherever necessary to correspond with the current year's classification/disclosure.

**44 Disclosure of Analytical Ratios**

| Sl. No. | Ratios                          | Current Reporting Period | Previous Reporting Period | % Change from Previous Year               | Reason for Variance   |
|---------|---------------------------------|--------------------------|---------------------------|---|---|
| 1       | Current Ratio                   | 3.19                     | 1.90                      | 67.61                                     | Due to decrease in Inventory & Adjustment of Advance from Customers due to sale deed executed |
| 2       | Debt Equity Ratio               | 0.23                     | 0.00                      | Not Comparable as Prev. Year Ratio is Nil | Due to Fresh Term Loan Taken  |
| 3       | Debt Service Coverage Ratio     | 33.92                    | 0.44                      | 7609.77                                   | Due to Increase in Profit   |
| 4       | Return on Equity (%)            | 23.01                    | 0.57                      | 3902.62                                   | Due to Increase in Profit   |
| 5       | Inventory Turnover Ratio        | 0.73                     | 0.03                      | 2343.95                                   | Due to Increase in Sale   |
| 6       | Trade Receivable Turnover Ratio | 69.04                    | 2.85                      | 2324.40                                   | Due to Increase in Sale   |
| 7       | Trade Payable Turnover Ratio    | 40.69                    | 6.63                      | 513.34                                    | Due to Increase in Purchase Cost  |
| 8       | Net Capital Turnover Ratio      | 1.21                     | 0.05                      | 2558.54                                   | Due to Increase in Sale   |
| 9       | Net Profit Ratio (%)            | 21.59                    | 16.90                     | 27.77                                     | Due to Increase in Profit & Sale  |
| 10      | Return on Capital Employed (%)  | 24.47                    | 2.97                      | 723.69                                    | Due to Increase in Profit   |
| 11      | Return on Investment (%)        | 4.87                     | 2.86                      | 70.25                                     | Due to Increase in Investment   |

# As per Ind AS 115, sale is recognised on the basis execution of sale deed. During the year under review, projects are ongoing therefore variance of ratios are not comparable with previous year.



## FORMULAE FOR COMPUTATION OF RATIOS

| S. No. | Ratios                           | Numerator  | Denominator  |
|--------|----------------------------------|--|--|
| 1      | Current Ratio                    | Current Assets   | Current Liabilities  |
| 2      | Debt Equity Ratio                | Total Debt   | Shareholder's Equity   |
| 3      | Debt Service Coverage Ratio      | Earnings available for Debt Service (EBITDA)           | Debt Service (Intt+Principal)  |
| 4      | Return on Equity                 | Net Profits after taxes - Preference Dividend (if any) | Average Shareholder's Equity   |
| 5      | Inventory Turnover Ratio         | Sales  | Average Inventory  |
| 6      | Trade Receivables Turnover Ratio | Net Credit Sales                                       | Average trade receivables  |
| 7      | Trade Payables Turnover Ratio    | Net Credit Purchases                                   | Average Trade Payables   |
| 8      | Net Capital Turnover Ratio       | Net Sales  | Average Working Capital (CA-CL)  |
| 9      | Net Profit Ratio                 | Net Profit   | Net Sales  |
| 10     | Return on Capital Employed       | Earnings before Interest and Tax                       | Capital Employed<br>(where CE= Tangible Net Worth + Total Debt + Deferred Tax Liability) |
| 11     | Return on Investment             | {MV(T1) – MV(T0) – Sum [C(t)]}                         | {MV(T0) + Sum [W(t) * C(t)]}   |

45 There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.

46 The Company has not entered in any Scheme of Arrangements and no Scheme of Arrangements has been approved by the Competent Authority in terms of section 230 to 237 of the Companies Act 2013.

47 The Company did not hold any Benami Properties and no proceedings has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

48 The Company is not declared willful defaulter by any bank or financial institution or any other lender.

49 The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

50 All transactions have been recorded in the books of account and no unrecorded income has been disclosed during the year in the tax assessments under the Income-Tax Act, 1961. Moreover there are no unrecorded income and related assets pertaining to previous years.

51 The Company has complied with the number of layers prescribed under (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

52 The Company did not enter into any transactions with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956. There is no outstanding balances with struck off Companies.

**53. Disclosure pursuant to Ind AS 115 "Revenue from contracts with Customers"**

| Particulars                  | As per Ind AS 11 and AS 18 | After application of Ind AS 115 | Increase/(Decrease) |
|------------------------------|----------------------------|---------------------------------|---------------------|
| Revenue from Operations      | 5158.24                    | 13781.46                        | 8623.22             |
| Change in Inventory          | (1831.87)                  | 5159.19                         | (6991.06)           |
| Profit before Tax            | 1626.96                    | 3259.12                         | 1632.16             |
| Tax Expense (NET)            | 568.80                     | 568.80                          | 0.00                |
| Less: Mat Credit Entitlement | 300.25                     | 300.25                          | 0.00                |
| Deferred Tax                 | 15.35                      | 15.35                           | 0.00                |
| Profit after Tax             | 1343.06                    | 2975.22                         | 1632.16             |
| Basic Earning per Share      | 51.82                      | 114.78                          | 62.96               |
| Diluted Earning per Share    | 49.25                      | 109.10                          | 59.85               |

54 The Company has not advanced or loaned or invested funds to any other persons or entities (intermediary) with the understanding that the intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner what so ever by or on behalf of the Company or shall provide guarantee, security or the like to or on behalf of the Company.

55 The Company has not received any fund from any other persons or 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 what so ever by or on behalf of the Funding Party or shall provide guarantee, security or the like to or on behalf of the Funding Party.

## 56 Trade Receivables Ageing As on 31.03.2024

| Particulars                         | Outstanding for Following Periods from Due date of Receipts |                 |              |             |                   |               |
|-------------------------------------|---|-----------------|--------------|-------------|-------------------|---------------|
|                                     | Less than 6 Months  | 6 Months-1 Year | 1-2 Years    | 2-3 Years   | More Than 3 Years | Total         |
| <b>Undisputed Trade Receivables</b> |   |                 |              |             |                   |               |
| Considered Good                     | 22.09   | 9.53            | 20.27        | 8.82        | 60.26             | 120.97        |
| Considered Doubtful                 | -   | -               | -            | -           | -                 | -             |
| <b>Disputed Trade Receivables</b>   |   |                 |              |             |                   |               |
| Considered Good                     | -   | -               | -            | -           | -                 | -             |
| Considered Doubtful                 | -   | -               | -            | -           | -                 | -             |
| <b>Total</b>                        | <b>22.09</b>  | <b>9.53</b>     | <b>20.27</b> | <b>8.82</b> | <b>60.26</b>      | <b>120.97</b> |

## Trade Receivables Ageing As on 31.03.2023

| Particulars                         | Outstanding for Following Periods from Due date of Receipts |                 |              |              |                   |               |
|-------------------------------------|---|-----------------|--------------|--------------|-------------------|---------------|
|                                     | Less than 6 Months  | 6 Months-1 Year | 1-2 Years    | 2-3 Years    | More Than 3 Years | Total         |
| <b>Undisputed Trade Receivables</b> |   |                 |              |              |                   |               |
| Considered Good                     | 87.00   | 38.97           | 37.28        | 33.71        | 37.22             | 234.18        |
| Considered Doubtful                 | -   | -               | -            | -            | -                 | -             |
| <b>Disputed Trade Receivables</b>   |   |                 |              |              |                   |               |
| Considered Good                     | -   | -               | -            | -            | -                 | -             |
| Considered Doubtful                 | -   | -               | -            | -            | -                 | -             |
| <b>Total</b>                        | <b>87.00</b>  | <b>38.97</b>    | <b>37.28</b> | <b>33.71</b> | <b>37.22</b>      | <b>234.18</b> |

## 57. Trade Payable Ageing As on 31.03.2024

| Particulars                                    | Outstanding for Following Periods from Due date of Payments |              |           |                   |               |
|--|---|--------------|-----------|-------------------|---------------|
|  | Less than 1 Year  | 1-2 Years    | 2-3 Years | More Than 3 Years | Total         |
| Micro & Small Enterprises                      | -   | -            | -         | -                 | -             |
| Creditors Other than Micro & Small Enterprises | 308.47  | 10.87        | -         | 8.41              | 327.75        |
| <b>Total</b>                                   | <b>308.47</b>   | <b>10.87</b> | <b>-</b>  | <b>8.41</b>       | <b>327.75</b> |

## Trade Payable Ageing As on 31.03.2023

| Particulars                                    | Outstanding for Following Periods from Due date of Payments |              |             |                   |              |
|--|---|--------------|-------------|-------------------|--------------|
|  | Less than 1 Year  | 1-2 Years    | 2-3 Years   | More Than 3 Years | Total        |
| Micro & Small Enterprises                      | -   | -            | -           | -                 | -            |
| Creditors Other than Micro & Small Enterprises | 75.99   | 11.10        | 0.30        | 5.38              | 92.77        |
| <b>Total</b>                                   | <b>75.99</b>  | <b>11.10</b> | <b>0.30</b> | <b>5.38</b>       | <b>92.77</b> |

## 58 Segment Reporting\*

The Executive Management Committee being Board of Directors of the company examines the companies performance based on its products and has identified two reportable segments of its business:

- a) Real Estate Business
- b) Information Technology Business

| 1 | Segment Revenue   | Real Estate Business | Information<br>Techonology Business | Gross Revenue    |
|---|---|----------------------|-------------------------------------|------------------|
|   | External Customers Sales  | 12,259.52            | 1,521.94                            | 13,781.46        |
|   | Inter Segment Inter Unit  | -                    | -                                   | -                |
|   | <b>Revenue from sale of products</b>  | <b>12,259.52</b>     | <b>1,521.94</b>                     | <b>13,781.46</b> |
| 2 | <b>Segment Results</b>  |                      |                                     |                  |
|   | Profit before Tax   | 3,047.85             | 305.00                              | 3,352.85         |
|   | Tax Expense   | 283.90               | -                                   | 283.90           |
|   | Profit before tax includes:   |                      |                                     |                  |
|   | Interest Expense  | 10.42                | 4.00                                | 14.42            |
|   | Depreciation  | 79.31                | -                                   | 79.31            |
|   | <b>Profit/(Loss) before Tax</b>   | <b>2,958.12</b>      | <b>301.00</b>                       | <b>3,259.12</b>  |
| 3 | <b>Segment Assets</b>   | <b>20805.00</b>      | -                                   | <b>20,805.00</b> |
|   | Segment Assets includes:  |                      |                                     |                  |
|   | Capital Expenditure during the year   | 46.95                | -                                   | 46.95            |
| 4 | <b>Segment Liabilities</b>  | <b>7,330.00</b>      | -                                   | <b>7,330.00</b>  |
|   | <b>Geographical Information</b>   |                      |                                     |                  |
|   |   | <b>2023-24</b>       |                                     | <b>2022-23</b>   |
|   | <b>Revenue from External Customers</b>  |                      |                                     |                  |
|   | - Within India  | 13,781.46            |                                     | 2,155.79         |
|   | - Outside India   | -                    |                                     | -                |
|   | <b>Total</b>  | <b>13,781.46</b>     |                                     | <b>2,155.79</b>  |
|   | The company is domiciled in India, therefore the amount of its revenue from external customers is broken down by location of the customers. |                      |                                     |                  |
|   |   | <b>2023-24</b>       |                                     | <b>2022-23</b>   |
|   | <b>Non-Current Assets</b>   |                      |                                     |                  |
|   | - Within India  | 3055.81              |                                     | 2021.45          |
|   | - Outside India   | -                    |                                     | -                |
|   | <b>Total</b>  | <b>3055.81</b>       |                                     | <b>2021.45</b>   |

**Notes:**

Revenue from single customer of more than 10% of company's total revenue

Real Estate Business : Nil

Information Techonology Business: Revenue of 1521.94 Lacs from Maulana Azad National Urdu University, Hyderabad

\*Segment Reporting is applicable from the Current Year and therefore previous year figures have not been disclosed.

**59 Approval of Financial Statements**

The Financial Statement were approved for publication by the Board of Directors on 24th May, 2024.

**TO THE MEMBERS OF SHERVANI INDUSTRIAL SYNDICATE LIMITED****Opinion**

We have audited the accompanying consolidated financial statements of SHERVANI INDUSTRIAL SYNDICATE LIMITED (“hereinafter referred to as the “Holding Company”), and its Subsidiary, (“hereinafter referred to as “the Group”), its associate, which comprise the consolidated Balance Sheet as at March 31, 2024, and the consolidated statement of Profit and Loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the “Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2024, of consolidated profit, consolidated changes in equity and its consolidated cash flows for the year then ended.

**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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

**Information Other than the Consolidated Financial Statements and Auditor's Report thereon**

The holding company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act, that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

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

The respective Board of Directors of the Group and of its associates are responsible for overseeing the financial reporting process of the Company and of its associates.

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

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

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

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

report. However, future events or conditions may cause the company and its associates to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the one associate included in the consolidated financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervisions and performance of the audits carried out by him. We remain solely responsible for our audit opinion.

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

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

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

**Other Matters**

The consolidated audited financial results also include associate's share net profit of Rs. 95 lacs for the year ended

31st March 2024, as considered in the consolidated audited financial results, in respect of an associate, based on their interim financial information which have not been audited by their auditors.

Our conclusion on the Statement is not modified in respect of the above matter.

**Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Company as on 31st March, 2024 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of Subsidiary Company and associate company, none of the directors of the Company, Subsidiary Company and associate company incorporated in India is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Company, Subsidiary Company and associate companies the operating effectiveness of such controls, refer to our separate report in "Annexure-C".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates. Refer Note 33 to the consolidated financial statements.
  - ii The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group and its associate companies.
  - iv. (a) The respective Managements of the Company, its subsidiary and associate, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The respective Managements of the Company and its subsidiary and associate which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, 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.

Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiary and associate, whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The dividend declared or paid during the year by the Holding company is in compliance with section 123 of the Act.
- vi Based on our examination which included test checks, the group has used an accounting software for maintaining its books of account which has a feature of recording audit trail(edit log) facility and the same has operated throughout the year for all

relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail being tampered with.

For P.L. Tandon & Co.  
Chartered Accountants  
Registration Number: 000186C

P.P. Singh  
(Partner)

Membership Number: 072754  
UDIN - 24072754BKCRZC3416

Place : Kanpur  
Date : May 24, 2024

#### **ANNEXURE "C" TO THE INDEPENDENT AUDITORS REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SHERVANI INDUSTRIAL SYNDICATE LIMITED**

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

In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended 31st March, 2024, we have audited the internal financial controls over financial reporting of SHERVANI INDUSTRIAL SYNDICATE LIMITED ("hereinafter referred to as the "Holding Company") and its Subsidiary ("hereinafter referred to as "the Group"), its associate entity as of that date.

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

The Respective Board of Directors of the Company and its Company and its associate entity, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its

assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

##### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorization of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

**Opinion**

In our opinion, the Group and its associate entity, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For P.L. Tandon & Co.  
Chartered Accountants  
Registration Number: 000186C

P.P. Singh  
(Partner)  
Membership Number: 072754  
UDIN - 24072754BKCRZC3416

Place : Kanpur  
Date : May 24, 2024



# CONSOLIDATED

# BALANCE SHEET

|  | Note No. | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023<br>(Rs. In Lakhs) |
|--|----------|---------------------------------------|---|
| <b>ASSETS</b>  |          |                                       |   |
| <b>Non-Current Assets</b>                                    |          |                                       |   |
| Property, Plant and Equipment                                | 2        | 1,551.18                              | 1,101.19  |
| Investment Property  | 2.1      | 180.76                                | 183.75  |
| Capital Work in Progress                                     | 2.2      | 184.03                                | -   |
| Goodwill on Consolidation (Net)                              |          | 580.00                                | 580.00  |
| <b>Financial Assets</b>                                      |          |                                       |   |
| Investments  | 3        | 2,410.69                              | 2,315.30  |
| Other Financial Assets                                       | 4        | 356.95                                | 195.35  |
| Deferred tax Asset (Net)                                     | 16       | 208.76                                |   |
| <b>Total Non Current Assets</b>                              |          | <b>5,472.37</b>                       | <b>4,375.59</b>   |
| <b>Current Assets</b>  |          |                                       |   |
| Inventories  | 5        | 14,345.61                             | 19,547.06   |
| <b>Financial Assets</b>                                      |          |                                       |   |
| Investments  | 6        | 1,166.37                              | 514.67  |
| Trade Receivables  | 7        | 185.82                                | 296.55  |
| Cash and Cash Equivalents                                    | 8        | 432.72                                | 104.42  |
| Other Bank Balances  | 9        | 1,176.42                              | 1,458.37  |
| Other Financial Assets                                       | 10       | 112.80                                | 40.65   |
| Other Current Assets   | 11       | 66.36                                 | 66.97   |
| <b>Total Current Assets</b>                                  |          | <b>17,486.10</b>                      | <b>22,028.69</b>  |
| <b>TOTAL ASSETS</b>  |          | <b>22,958.48</b>                      | <b>26,404.28</b>  |
| <b>EQUITY AND LIABILITIES</b>                                |          |                                       |   |
| <b>Equity</b>  |          |                                       |   |
| Equity Share Capital   | 12       | 259.30                                | 272.10  |
| Other Equity   | 13       | 15,228.41                             | 14,209.04   |
| <b>Total Equity</b>  |          | <b>15,487.71</b>                      | <b>14,481.14</b>  |
| <b>Liabilities</b>   |          |                                       |   |
| <b>Non-Current Liabilities</b>                               |          |                                       |   |
| <b>Financial Liabilities</b>                                 |          |                                       |   |
| Borrowings   | 14       | 1,865.50                              | 128.28  |
| Provisions   | 15       | -                                     | 0.50  |
| Deferred Tax Liabilities (Net)                               | 16       | -                                     | 74.15   |
| <b>Total Non Current Liability</b>                           |          | <b>1,865.50</b>                       | <b>202.93</b>   |
| <b>Current Liabilities</b>                                   |          |                                       |   |
| <b>Financial Liabilities</b>                                 |          |                                       |   |
| Borrowings   | 17       | 1,288.36                              | 29.05   |
| Trade Payables   | 18       | 348.56                                | 119.77  |
| Other Financial Liabilities                                  | 19       | 101.35                                | 100.04  |
| Other Current Liabilities                                    | 20       | 3,795.71                              | 11,267.46   |
| Provisions   | 21(a)    | -                                     | 1.84  |
| Current Tax Liability (Net)                                  | 21(b)    | 71.27                                 | 202.05  |
| <b>Total Current Liabilities</b>                             |          | <b>5,605.25</b>                       | <b>11,720.21</b>  |
| <b>TOTAL EQUITY AND LIABILITIES</b>                          |          | <b>22,958.48</b>                      | <b>26,404.28</b>  |
| Material Accounting Policies & Notes to Financial Statements | 1-54     |                                       |   |

As per our report of even date attached

**For P. L. Tandon & Co.**

Chartered Accountants

**P.P. Singh**

Partner

**S.K. Shukla**

Company Secretary

**Tahir Hasan**

Chief Financial Officer

**Mohd. Aslam Sayeed**

Director

DIN: 06652348

**Mustafa Rashid Shervani**

Managing Director

DIN: 02379954

Place : Prayagraj

Date : May 24, 2024

**CONSOLIDATED****STATEMENT OF PROFIT & LOSS**

| PARTICULARS  | Note No. | Year ended       | Year ended      |
|--|----------|------------------|-----------------|
|  |          | March 31, 2024   | March 31, 2023  |
|  |          |                  | (Rs. In Lakhs)  |
| Revenue From Operations  | 22       | 14,270.00        | 2,671.26        |
| Other Income   | 23       | 401.76           | 139.71          |
| <b>Total Revenue</b>   |          | <b>14,671.76</b> | <b>2810.97</b>  |
| <b>EXPENSES</b>  |          |                  |                 |
| Construction Expenses  | 24       | 3,395.83         | 3,939.08        |
| Expenses incurred for IT Business  |          | 1,212.24         | -               |
| Changes in inventories of finished goods, Stock-in-Trade and work-in-progress          | 25       | 5,159.19         | (2,686.35)      |
| Employee Benefit Expenses  | 26       | 557.52           | 433.29          |
| Finance Costs  | 27       | 15.07            | 19.22           |
| Depreciation and Amortization Expense  | 28       | 98.29            | 93.06           |
| Other Expenses   | 29       | 955.25           | 620.96          |
| <b>Total Expenses</b>  |          | <b>11,393.39</b> | <b>2419.25</b>  |
| <b>PROFIT/(LOSS) BEFORE TAX AND EXCEPTIONAL ITEMS</b>                                  |          | <b>3,278.37</b>  | <b>391.72</b>   |
| Profit/(Loss) before tax and share of profit in Associate Companies                    |          | 3,278.37         | 391.72          |
| Share of Profit/(Loss) in Associate Companies  |          | 95.38            | 2,051.44        |
| <b>Profit/(Loss) before tax after share of profit in Associate Companies</b>           |          | <b>3,373.75</b>  | <b>2,443.16</b> |
| <b>Tax Expense</b>   |          |                  |                 |
| Current Tax  |          | 572.67           | 184.54          |
| Mat Credit Entitlement   |          | (300.25)         | (120.61)        |
| Deffered Tax   |          | 17.15            | 16.19           |
| Income Tax of Earlier Year   |          | (0.63)           | (0.27)          |
| <b>Profit/(Loss) for the year</b>  |          | <b>3,084.81</b>  | <b>2363.31</b>  |
| <b>Other Comprehensive Income</b>  |          |                  |                 |
| a) Transferred from Other Comprehensive Income   |          | -                | -               |
| b) Items that will be reclassified to profit or loss in Future                         |          | -                | -               |
| Fair Value change on Equity Instrument through other comprehensive Income (Net of Tax) |          | 4.35             | -               |
| c) Items that will not be reclassified to Profit or Loss in future                     |          | 0.15             | 5.15            |
| d) Share of Profit/(Loss) of OCI in Associate Company                                  |          | -                | -               |
| <b>Total Comprehensive Income for the year</b>   |          | <b>3,089.31</b>  | <b>2368.46</b>  |
| Earnings per equity share (face value of Rs. 10/- each)                                |          |                  |                 |
| Basic EPS  | 30       | 119.01           | 86.85           |
| Diluted EPS  |          | 114.25           | 86.85           |
| Material Accounting Policies & Notes to Financial Statements                           | 1-54     |                  |                 |

As per our report of even date attached

**For P. L. Tandon & Co.**

Chartered Accountants

P.P. Singh  
PartnerS.K. Shukla  
Company SecretaryTahir Hasan  
Chief Financial OfficerMohd. Aslam Sayeed  
Director  
DIN: 06652348Mustafa Rashid Shervani  
Managing Director  
DIN: 02379954Place : Prayagraj  
Date : May 24, 2024

# CONSOLIDATED

## Statement of Changes

### a) Share Capital

(Rs. In Lakhs)

| Share Capital                       | Balance at the beginning of the reporting period | Changes in Equity Share Capital during the year | Balance at the end of the reporting period |
|-------------------------------------|--|---|--|
| For the year ended 31st March, 2023 | 272.10   | -   | 272.10                                     |
| For the year ended 31st March, 2024 | 272.10   | (12.80)   | 259.30                                     |

### b) Other Equity

(Rs. In Lakhs)

|   | Capital Subsidy Reserve | General Reserve | Capital Redemption Reserve | Capital Reserve on Revaluation of Land | Retained Earnings | Other Comprehensive Income | Total            |
|---|-------------------------|-----------------|----------------------------|--|-------------------|----------------------------|------------------|
| <b>Balance at the beginning of the reporting period i.e. As on 31st March, 2022</b> | <b>19.27</b>            | <b>2,971.86</b> | <b>75.92</b>               | <b>6,152.67</b>                        | <b>3,316.70</b>   | <b>112.37</b>              | <b>12,648.79</b> |
| Net Profit for the year   | -                       | -               | -                          | -                                      | 2,363.31          | -                          | 2,363.31         |
| Movement in OCI during the year   | -                       | -               | -                          | -                                      | -                 | 5.15                       | 5.15             |
| Transfer to profit and loss statement   | -                       | -               | -                          | (753.78)                               | -                 | -                          | (753.78)         |
| Dividend Paid during year   | -                       | -               | -                          | -                                      | (54.42)           | -                          | (54.42)          |
| <b>Balance at the end of the reporting period i.e. 31st March, 2023</b>             | <b>19.27</b>            | <b>2,971.86</b> | <b>75.92</b>               | <b>5,398.88</b>                        | <b>5,625.59</b>   | <b>117.52</b>              | <b>14,209.04</b> |
| Net Profit for the year   | -                       | -               | -                          | -                                      | 3,084.81          | -                          | 3,084.81         |
| Movement in OCI during the year   | -                       | -               | -                          | -                                      | -                 | 4.50                       | 4.50             |
| Reclassified to Profit/(Loss) on disposal   | -                       | -               | -                          | -                                      | -                 | (117.65)                   | (117.65)         |
| Utilised for Buyback of Equity shares   | -                       | (640.23)        | -                          | -                                      | -                 | -                          | (640.23)         |
| Transfer to Capital Redemption Reserve  | -                       | (12.80)         | -                          | -                                      | -                 | -                          | (12.80)          |
| Transfer from General Reserve   | -                       | -               | 12.80                      | -                                      | -                 | -                          | 12.80            |
| Transfer to profit and loss statement   | -                       | -               | -                          | (1,244.03)                             | -                 | -                          | (1,244.03)       |
| Dividend Paid during year   | -                       | -               | -                          | -                                      | (68.02)           | -                          | (68.02)          |
| Transferred to Retained Earnings  | -                       | -               | -                          | -                                      | 0.15              | (0.15)                     | -                |
| <b>Balance at the end of the reporting period i.e. 31st March, 2024</b>             | <b>19.27</b>            | <b>2,318.83</b> | <b>88.72</b>               | <b>4,154.85</b>                        | <b>8,642.52</b>   | <b>4.22</b>                | <b>15,228.41</b> |

# CONSOLIDATED

# CASH FLOW STATEMENT

|   | 2023-2024                | 2022-2023                |
|---|--------------------------|--------------------------|
|   |                          | (Rs. In Lakhs)           |
| <b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>                       |                          |                          |
| <b>Profit/(Loss) Before Tax</b>                                     | <b>3,373.74</b>          | <b>2,443.16</b>          |
| Adjustment For  |                          |                          |
| Adjustment of OCI   | 4.50                     |                          |
| Share of Loss (Profit) in Associate Companies                       | (95.38)                  | (2,051.44)               |
| Transfer from Capital Reserve on revaluation of land                | (1,244.03)               | (753.78)                 |
| Depreciation  | 98.29                    | 94.70                    |
| Loss /(Profit) on sale of assets                                    | (17.56)                  | -                        |
| Interest Expense  | 15.07                    | 19.22                    |
| Interest Income   | (106.24)                 | (77.06)                  |
| Dividend Received   | (40.78)                  | (33.99)                  |
| (Profit)/Loss on Sale of Investments                                | (204.52)                 | (4.19)                   |
| Operating Profit before Working Capital Changes                     | <u>1,783.09</u>          | <u>(363.38)</u>          |
| Adjustment For  |                          |                          |
| (Increase)/Decrease in Trade and other receivables                  | 109.20                   | (89.56)                  |
| (Increase)/Decrease in Inventories                                  | 5,201.45                 | (2,686.35)               |
| Increase/(Decrease) in Trade & Other Payables                       | (7,244.00)               | 3,936.68                 |
| Cash generated in operation   | <u>(1,933.34)</u>        | <u>1,160.77</u>          |
| Add/(Deduct) For  | (150.26)                 | 797.39                   |
| Direct tax paid   | (702.62)                 | (119.44)                 |
| <b>Net cash from operating activities (Total - A)</b>               | <b><u>(852.87)</u></b>   | <b><u>677.95</u></b>     |
| <b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>                       |                          |                          |
| Purchase/Sale of Property, Plant & Equipment (Including CWIP)       | (732.72)                 | (22.90)                  |
| Sale of Property, Plant & Equipment                                 | 67.92                    | 0.82                     |
| Purchase of Current Investments (Net of Sales)                      | (564.83)                 | 169.19                   |
| Movement in Fixed Deposits  | 121.62                   | (262.22)                 |
| Dividend Received   | 40.78                    | 33.99                    |
| Interest received   | 36.23                    | 71.27                    |
| <b>Net cash used in Investing Activities (Total - B)</b>            | <b><u>(1,031.00)</u></b> | <b><u>(9.85)</u></b>     |
| <b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>                       |                          |                          |
| Proceeds From Borrowings  | 2,996.53                 | (1,013.10)               |
| Buy Back of Shares  | (653.04)                 | -                        |
| Interest Paid   | (62.02)                  | (19.22)                  |
| Increase in Other Financial Assets                                  | (1.27)                   | (1.82)                   |
| Dividend Paid   | (68.03)                  | (54.42)                  |
| <b>Net cash (used in)/from financing activities (Total - C)</b>     | <b><u>2,212.18</u></b>   | <b><u>(1,088.56)</u></b> |
| <b>Net Increase/ (Decrease)in Cash and Cash Equivalents (A+B+C)</b> | <b><u>328.30</u></b>     | <b><u>(420.46)</u></b>   |
| Add : Cash and Cash Equivalents at beginning of Period              | <u>104.42</u>            | <u>524.88</u>            |
| <b>Cash and Cash Equivalents at end of Period</b>                   | <b><u>432.72</u></b>     | <b><u>104.42</u></b>     |

Notes : 1. Cash and cash equivalents consists of Cash in Hand and Balance with Bank.  
2. Reconciliation of Cash and Cash equivalents : Cash and cash equivalents as per Note No. 8

Material Accounting Policies & Notes to Financial Statements 1-54

As per our report of even date attached  
**For P. L. Tandon & Co.**  
Chartered Accountants

**P.P. Singh**  
Partner

**S.K. Shukla**  
Company Secretary

**Tahir Hasan**  
Chief Financial Officer

**Mohd. Aslam Sayeed**  
Director  
DIN: 06652348

**Mustafa Rashid Shervani**  
Managing Director  
DIN: 02379954

Place : Prayagraj  
Date : May 24, 2024

**1. SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS**

**A. CORPORATE INFORMATION**

**Reporting Entity**

The Consolidated Financial Statement comprise statement of Shervani Industrial Syndicate Limited, its subsidiary and Associate (Collectively, the group) for the year ended 31st March 2024. Shervani Industrial Syndicate Limited (Shervani Industrial Syndicate Limited or the group or the parent) is a public limited group domiciled in India and has its registered office at Shervani Nagar, Sulem Sarai, Harwara, Prayagraj-211015. Shervani Industrial Syndicate Limited, equity shares are listed on Bombay Stock Exchange in India. The Group is engaged in the Business of Real Estate, Development of Infrastructure Facilities & Information Technology.

**MATERIAL ACCOUNTING POLICIES**

**B. (i)** The consolidated financial statements of the Group (the Company and its subsidiary are herein after referred to as the Group) have been prepared and presented in accordance with Indian Accounting Standards (Ind ASs) notified under the Companies Act, 2013 ('Act'), read together with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act as amended from time to time.

The Group has consistently applied accounting policies to all periods.

**(ii) BASIS OF PREPARATION AND PRESENTATION**

The consolidated financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values at the end of each reporting period, as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 - Inventories or value in use in Ind AS 36 – Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

**Level 1** Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

**Level 2** Inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

**Level 3** Inputs are unobservable inputs for the asset or liability.

All assets and liabilities have been classified as current or non-current as per Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act 2013 and Ind AS 1 - Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

**(ii) PRINCIPLES OF CONSOLIDATION**

The consolidated financial statements relate to Shervani Industrial Syndicate Limited ('the Company') and its subsidiary company. The consolidated financial statements have been prepared on the following basis:

- a) The Financial statements of the company and its subsidiary are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash-flows, after fully eliminating intra-group balances and intra-group transactions.
- b) Profits or losses resulting from intra-group balances and intra-group transactions that are recognised in assets, such as inventory and property, plant & equipment, are eliminated in full.
- c) Offset (eliminate) the carrying amount of the parent's investment in subsidiary and the parent's portion of equity of subsidiary.

**OTHER MATERIAL ACCOUNTING POLICIES**

These are set out under "Material Accounting Policies" as given in the Company's Standalone Financial Statements.

**List of subsidiary and Associate company considered in the consolidated financial statements is:**

| Name of the Company                | Country of Incorporation | Nature of Entity | Holding as on March 31,2024 |
|------------------------------------|--------------------------|------------------|-----------------------------|
| Farco Foods Pvt. Ltd.              | India                    | Subsidiary       | 100.00%                     |
| Star Hotels Pvt. Ltd.              | India                    | Associate        | 35.40%                      |
| Youngtronics India Private Limited | India                    | Associate        | 46.33%                      |

# CONSOLIDATED

# NOTES

(Rs. In Lakhs)

## 2. PROPERTY, PLANT AND EQUIPMENT

| PARTICULARS           | GROSS BLOCK         |              |                            |                     |                     |               |                            |                     |
|-----------------------|---------------------|--------------|----------------------------|---------------------|---------------------|---------------|----------------------------|---------------------|
|                       | As at<br>01.04.2022 | Additions    | Deductions/<br>Adjustments | As at<br>31.03.2023 | As at<br>01.04.2023 | Additions     | Deductions/<br>Adjustments | As at<br>31.03.2024 |
| Freehold Land*        | 164.64              | -            | -                          | 164.64              | 164.64              | -             | -                          | 164.64              |
| Leasehold Land        | 82.61               | -            | -                          | 82.61               | 82.61               | -             | -                          | 82.61               |
| Factory Building*     | 294.29              | -            | -                          | 294.29              | 294.29              | -             | -                          | 294.29              |
| Non-Factory Building  | 371.66              | -            | -                          | 371.66              | 371.66              | -             | -                          | 371.66              |
| Temporary Structure   | 15.28               | -            | -                          | 15.28               | 15.28               | -             | -                          | 15.28               |
| Plant and Equipments  | 238.97              | 3.12         | -                          | 242.09              | 242.09              | 10.59         | -                          | 252.68              |
| Furniture and Fixture | 25.37               | 0.73         | -                          | 26.10               | 26.10               | 0.17          | -                          | 26.27               |
| Vehicles              | 571.92              | 17.91        | 16.50                      | 573.33              | 573.33              | 582.92        | 158.81                     | 997.44              |
| Office Equipments     | 2.70                | -            | -                          | 2.70                | 2.70                | 0.55          | -                          | 3.25                |
| Computers             | 58.20               | 1.14         | -                          | 59.34               | 59.34               | 1.41          | -                          | 60.75               |
| <b>Total</b>          | <b>1,825.64</b>     | <b>22.90</b> | <b>16.50</b>               | <b>1,832.04</b>     | <b>1,832.04</b>     | <b>595.64</b> | <b>158.81</b>              | <b>2,268.87</b>     |

| PARTICULARS           | DEPRECIATION AND AMORTIZATION |                 |              |                    |                    |                 |               |                    |
|-----------------------|-------------------------------|-----------------|--------------|--------------------|--------------------|-----------------|---------------|--------------------|
|                       | Upto<br>01.04.2022            | For<br>the Year | Deductions   | Upto<br>31.03.2023 | Upto<br>01.04.2023 | For<br>the Year | Deductions    | Upto<br>31.03.2024 |
| Freehold Land*        | -                             | -               | -            | -                  | -                  | -               | -             | -                  |
| Leasehold Land        | -                             | -               | -            | -                  | -                  | -               | -             | -                  |
| Factory Building*     | 56.17                         | 9.56            | -            | 65.73              | 65.73              | 9.56            | -             | 75.29              |
| Non-Factory Building  | 87.66                         | 5.64            | -            | 93.30              | 93.30              | 5.64            | -             | 98.94              |
| Temporary Structure   | 0.40                          | 4.84            | -            | 5.24               | 5.24               | 4.84            | -             | 10.08              |
| Plant and Equipments  | 175.36                        | 6.66            | -            | 182.02             | 182.02             | 6.93            | -             | 188.95             |
| Furniture and Fixture | 19.20                         | 0.71            | -            | 19.91              | 19.91              | 0.73            | -             | 20.64              |
| Vehicles              | 260.98                        | 61.81           | 15.68        | 307.11             | 307.11             | 66.69           | 108.45        | 265.35             |
| Office Equipments     | 2.44                          | 0.07            | -            | 2.51               | 2.51               | 0.11            | -             | 2.62               |
| Computers             | 54.24                         | 0.78            | -            | 55.02              | 55.02              | 0.80            | -             | 55.82              |
| <b>Total</b>          | <b>656.45</b>                 | <b>90.07</b>    | <b>15.68</b> | <b>730.84</b>      | <b>730.84</b>      | <b>95.30</b>    | <b>108.45</b> | <b>717.69</b>      |

| PARTICULARS           | NET BLOCK        |                  |
|-----------------------|------------------|------------------|
|                       | As at 31.03.2024 | As at 31.03.2023 |
| Freehold Land*        | 164.64           | 164.64           |
| Leasehold Land        | 82.61            | 82.61            |
| Factory Building*     | 219.00           | 228.56           |
| Non-Factory Building  | 272.72           | 278.36           |
| Temporary Structure   | 5.20             | 10.04            |
| Plant and Equipments  | 63.73            | 60.07            |
| Furniture and Fixture | 5.63             | 6.19             |
| Vehicles              | 732.09           | 266.22           |
| Office Equipments     | 0.63             | 0.19             |
| Computers             | 4.93             | 4.32             |
| <b>Total</b>          | <b>1,551.18</b>  | <b>1,101.10</b>  |

| 2.1 PARTICULARS     | GROSS BLOCK         |           |                            |                     |                     |           |                            |                     |
|---------------------|---------------------|-----------|----------------------------|---------------------|---------------------|-----------|----------------------------|---------------------|
|                     | As at<br>01.04.2022 | Additions | Deductions/<br>Adjustments | As at<br>31.03.2023 | As at<br>01.04.2023 | Additions | Deductions/<br>Adjustments | As at<br>31.03.2024 |
| Investment Property | 188.98              | -         | -                          | 188.98              | 188.98              | -         | -                          | 188.98              |

| PARTICULARS         | DEPRECIATION AND AMORTIZATION |                 |            |                     |                     |                 |                     |  |
|---------------------|-------------------------------|-----------------|------------|---------------------|---------------------|-----------------|---------------------|--|
|                     | Upto<br>01.04.2022            | For<br>The Year | Deductions | As at<br>31.03.2023 | As at<br>01.04.2023 | For<br>The Year | As at<br>31.03.2024 |  |
| Investment Property | 2.24                          | 2.99            | -          | 5.23                | 5.23                | 2.99            | 8.22                |  |

| PARTICULARS         | NET BLOCK        |                  |
|---------------------|------------------|------------------|
|                     | As at 31.03.2024 | As at 31.03.2023 |
| Investment Property | 180.76           | 183.75           |
| <b>Total</b>        | <b>180.76</b>    | <b>183.75</b>    |

### 2.2 Capital Work in Progress:

|                           |               |
|---------------------------|---------------|
| WDV Balance of 31.03.2024 | 184.03        |
| <b>Total</b>              | <b>184.03</b> |

2.2 Fair value of investment property is not realisable measurable on continuing basis on the market for comparable properties is inactive.

2.3 The Market value of investment property as measured by Circle Rate of Rs . 70000/sq meter of the Local Area is Rs. 2,23,91,600 .

\* Pledged against Bank Borrowings.

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# NOTES

|   | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023<br>(Rs. In Lakhs) |
|---|---------------------------------------|---|
| <b>3 Non Current Investments</b>  |                                       |   |
| <b>Investment in Equity Instruments (Unquoted)</b>                                |                                       |   |
| <b>In Associate Companies</b>   |                                       |   |
| Star Hotels Private Limited<br>(22,65,750 Equity Shares of Rs. 10/- each)         | 2,410.64                              | 2315.25   |
| <b>Total (A)</b>  | <u>2,410.64</u>                       | <u>2,315.25</u>   |
| Investment in equity instruments (Unquoted)                                       |                                       |   |
| 500 Shares of Super Bazaar Co-operative Stores Ltd. of Rs. 10/- each              | 0.05                                  | 0.05  |
| <b>Total (B)</b>  | <u>0.05</u>                           | <u>0.05</u>   |
| <b>Total (A+B)</b>  | <u>2,410.69</u>                       | <u>2,315.30</u>   |
| <b>Aggregate value of Unquoted investment</b>                                     | <b>2,410.69</b>                       | <b>2,315.30</b>   |
| <b>4 Other Financial Assets</b>   |                                       |   |
| Earmarked Balance with Banks  | 101.51                                | 100.23  |
| Fixed deposit (Pledged With Government Authorities)                               | 255.44                                | 95.12   |
| <b>Total</b>  | <u>356.95</u>                         | <u>195.35</u>   |
| <b>Current Assets</b>   |                                       |   |
| <b>5 Inventories</b>  |                                       |   |
| Work In Progress (Real Estate)  | 10,048.14                             | 13938.33  |
| Stock-in-Trade (Land and Expenses thereon)  | 4,254.02                              | 5565.28   |
| Livestock at the end of the year  | 43.45                                 | 43.45   |
| <b>Total</b>  | <u>14,345.61</u>                      | <u>19,547.06</u>  |
| <b>6 Current Investment</b>   |                                       |   |
| <b>Investment in Equity Instruments (Quoted)</b>                                  |                                       |   |
| <b>Measured at FVOCI</b>  |                                       |   |
| <b>Unit</b>   |                                       |   |
| 1000 Equity Shares of Reliance Infra Limited of Rs.10/- Each<br>(1000)            | 2.34                                  | 1.30  |
| 10000 Equity Shares of Cerebra Integrated Technologies of Rs.10/- Each<br>(10000) | 0.64                                  | 0.72  |
| <b>Total Value of Quoted Investment (A)</b>                                       | <u>2.98</u>                           | <u>2.02</u>   |
| <b>Investment in Mutual Fund (Unquoted)</b>                                       |                                       |   |
| Nil SBI Dividend Yield Fund (G)<br>(99995)  | -                                     | 10.09   |
| Nil SBI Long term Advantage Fund Series V- Growth of Rs.10/- each<br>(1999990)    | -                                     | 317.78  |
| Nil SBI Corporte Bond Fund<br>(765418.20)   | -                                     | 100.00  |
| Nil Union Flexi Cap Fund<br>(29651.54)  | -                                     | 9.55  |
| Nil SBI Balanced Advantage Fund<br>(152703)                                       | -                                     | 16.29   |
| 3399820 Samco Dynamic Asset Allocation Fund<br>(Nil)                              | 343.25                                | -   |
| Nil Union Hybrid Equity Fund<br>(182960.10)                                       | -                                     | 22.27   |
| 199990 SBI Energy Oppourtunities Fund<br>(Nil)                                    | 20.14                                 | -   |
| Nil Union Balance Advantage Fund<br>(242503.26)                                   | -                                     | 36.67   |
| 25080.75 SBI Magnum Low Duration Fund<br>(Nil)                                    | 800.00                                | -   |
| <b>Total Value of Unquoted Investment (B)</b>                                     | <u>1,163.39</u>                       | <u>512.65</u>   |
| <b>Total (A+B)</b>  | <u>1,166.37</u>                       | <u>514.67</u>   |

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|   | <b>As at<br/>31<sup>st</sup> March, 2024</b> | <b>As at<br/>31<sup>st</sup> March, 2023</b> |
|---|--|--|
|   |  | (Rs. In Lakhs)                               |
| Aggregate amount of Quoted Investment                             | 2.98   | 2.02   |
| Aggregate amount of Quoted Investment at Market Value             | 2.98   | 2.02   |
| Aggregate amount of Unquoted Investment                           | 1163.39                                      | 512.65                                       |
| Aggregate Impairment Amount of Unquoted Investment                | -  | -  |
| <b>7 Trade Receivables*</b>                                       |  |  |
| Trade Receivables Considered good, Unsecured                      | 185.82                                       | 296.55                                       |
| Total   | <u>185.82</u>                                | <u>296.55</u>                                |
| *Refer Note No. 48  |  |  |
| <b>8 Cash and Cash Equivalent</b>                                 |  |  |
| Balance With Banks  |  |  |
| In Current Account  | 417.09                                       | 101.96                                       |
| Cash in Hand  | 15.63  | 2.46   |
| Total   | <u>432.72</u>                                | <u>104.42</u>                                |
| <b>9 Other Bank Balances</b>                                      |  |  |
| In Fixed Deposit (Pledged against Overdraft Facilities from Bank) | 1,076.42                                     | 1303.37                                      |
| In Flexi Deposit with Bank  | 100.00                                       | 155.00                                       |
| Total   | <u>1,176.42</u>                              | <u>1,458.37</u>                              |
| <b>10 Other Financial Assets</b>                                  |  |  |
| Interest accrued on FDR with Bank                                 | 91.69  | 21.67  |
| Security Deposit  | 21.11  | 18.98  |
| Total   | <u>112.80</u>                                | <u>40.65</u>                                 |
| <b>11 Other Current Assets</b>                                    |  |  |
| Unsecured Considered good   |  |  |
| Prepaid Expenses  | 6.49   | 6.63   |
| Advance recoverable in Cash or kind or Value to be received       | 10.13  | 7.28   |
| Advance to Others   | 49.72  | 53.01  |
| ITC Receivable  | 0.01   | 0.05   |
| Total   | <u>66.36</u>                                 | <u>66.97</u>                                 |
| <b>Equity</b>   |  |  |
| <b>12 Share Capital</b>   |  |  |
| Authorised  |  |  |
| 62,80,000 Equity Shares of Rs. 10/- each                          | 628.00                                       | 628.00                                       |
| 20,000 Cumulative Redeemable Preference Shares of Rs. 100/- each  | 20.00  | 20.00  |
| 8,000 Deferred Shares of Rs. 25/- each                            | 2.00   | 2.00   |
| Total   | <u>650.00</u>                                | <u>650.00</u>                                |
| <b>Issued, Subscribed &amp; Paid Up</b>                           |  |  |
| 25,72,973 (Previous year: 27,01,018)                              |  |  |
| Equity Shares of Rs. 10/- each                                    | 257.30                                       | 270.10                                       |
| 8,000 Deferred Shares of Rs. 25/- each                            | 2.00   | 2.00   |
| Total   | <u>259.30</u>                                | <u>272.10</u>                                |

**12.1 Rights, Preferences and restrictions attached to Shares:**

The Company has Equity & Deferred Shares and all Equity & Deferred Shares rank equally with regard to dividend and share in the Company's residual assets. The Shareholders are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder including deferred shareholder on a poll (not on show of hands) are in proportion to its share in the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. In the event of liquidation of the Company, the holders of shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.



**12.2 Reconciliation of Number of Shares outstanding at the beginning and end of the year**

| Particulars  | Number of Shares* | Amount (Rs. in Lakh) |
|--|-------------------|----------------------|
| Outstanding at the 1st April 2022                  | 27,09,018         | 272.10               |
| Equity shares issued/(Bought back) during the year | -                 | -                    |
| Outstanding at the 31st March 2023                 | 27,09,018         | 272.10               |
| Equity shares issued/(Bought back) during the year | -                 | -                    |
| Equity shares bought back during the year          | (1,28,045)        | 12.80                |
| Outstanding at the 31st March 2024                 | 25,72,973         | 259.30               |

\*Including 8000 deferred equity Shares

The company has Bought Back the following Shares in the immediately preceding five years

| Year    | Class of Shares | Aggregate number of Shares |
|---------|-----------------|----------------------------|
| 2018-19 | Equity Shares   | 4,15,000                   |
| 2023-24 | Equity Shares   | 1,28,045                   |

**12.3 The Details of Shareholders holding more than 5% shares**

| Name of Shareholder               | As at 31 <sup>st</sup> March, 2024 |        | As at 31 <sup>st</sup> March, 2023 |        |
|-----------------------------------|------------------------------------|--------|------------------------------------|--------|
|                                   | No. of Shares                      | % Held | No. of Shares                      | % Held |
| Mr. Saleem Iqbal Shervani         | 483639                             | 18.80  | 384980                             | 14.25  |
| Mr. Saeed Mustafa Shervani        | 131386                             | 5.11   | NA                                 | -      |
| M/s Lebensraum Infra Pvt Ltd      | NA                                 | -      | 200221                             | 7.41   |
| M/s Frost Traders Private Limited | 367602                             | 14.29  | 367602                             | 13.61  |

**12.4 Shares held by Promoters & Promoters' Group at the end of the Year**

| Promoters Name               | No. of Shares held | % of Total Shares | % Change during the year |
|------------------------------|--------------------|-------------------|--------------------------|
| Saleem Iqbal Shervani        | 4,83,639           | 18.80             | 25.63                    |
| Saeed Mustafa Shervani       | 1,31,386           | 5.11              | Nil                      |
| Azher Nisar Shervani         | 1,01,687           | 3.95              | Nil                      |
| Tahir Hasan                  | 13,615             | 0.53              | Nil                      |
| Salma Hasan                  | 61,728             | 2.40              | Nil                      |
| Rubina Shervani              | 66,655             | 2.59              | Nil                      |
| Saad Mustafa Shervani        | 96,130             | 3.74              | Nil                      |
| Mustafa Rashid Shervani      | 76,575             | 2.98              | Nil                      |
| Ursala Fatima Shervani       | 87,835             | 3.41              | Nil                      |
| Zeba Hasan                   | 90,089             | 3.50              | Nil                      |
| Zehra Shervani               | 12,718             | 0.49              | Nil                      |
| Aisra Amrah Fatima Shervani  | 14,580             | 0.57              | Nil                      |
| Shamsiya Fatima Shervani     | 11,790             | 0.46              | Nil                      |
| Mohd. Adil Mustafa Shervani  | 6,925              | 0.27              | Nil                      |
| Azhar Family Trust           | 48,633             | 1.89              | Nil                      |
| Saeed Family Trust           | 49,308             | 1.92              | Nil                      |
| Salma Zeba Family Trust      | 54,645             | 2.12              | Nil                      |
| Saleem Family Trust          | 60,985             | 2.37              | Nil                      |
| Aslam Family Trust           | -                  | -                 | (100.00)                 |
| Waqf Haji Bhikkan            | 7,840              | 0.30              | Nil                      |
| Lebensraum Infra Pvt Ltd.    | 71,221             | 2.77              | (64.43)                  |
| Shervani Enterprises Pvt Ltd | 1,450              | 0.06              | Nil                      |
| <b>Total</b>                 | <b>15,49,434</b>   | <b>60.23</b>      |                          |

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|   | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|---|---------------------------------------|---------------------------------------|
|   |                                       | (Rs. In Lakhs)                        |
| <b>13 Other Equity</b>                            |                                       |                                       |
| <b>Capital Subsidy Reserve</b>                    |                                       |                                       |
| Balance at the beginning of the year              | 19.27                                 | 19.27                                 |
| <b>Balance at the end of the year</b>             | <u>19.27</u>                          | <u>19.27</u>                          |
| <b>General Reserve</b>                            |                                       |                                       |
| Balance at the beginning of the year              | 2,971.86                              | 2,971.86                              |
| Transfer to Capital Redemption Reserve            | 12.80                                 | -                                     |
| Less: Utilised for buy back of Equity Shares      | 640.23                                | -                                     |
| <b>Balance at the end of the year</b>             | <u>2,318.83</u>                       | <u>2,971.86</u>                       |
| <b>Capital Redemption Reserve</b>                 |                                       |                                       |
| Balance at the beginning of the year              | 75.92                                 | 75.92                                 |
| Transfer from General Reserve                     | 12.80                                 | -                                     |
| <b>Balance at the end of the year</b>             | <u>88.72</u>                          | <u>75.92</u>                          |
| <b>Capital Reserve on Revaluation on Land</b>     |                                       |                                       |
| Balance at the beginning of the year              | 5,398.88                              | 6,152.66                              |
| Less: Transfer to Profit and Loss Statement       | 1,244.03                              | (753.78)                              |
| <b>Balance at the end of the year</b>             | <u>4,154.85</u>                       | <u>5,398.88</u>                       |
| <b>Retained Earnings</b>                          |                                       |                                       |
| Balance at the beginning of the year              | 5,625.59                              | 3,316.70                              |
| Add: Profit as per Profit & Loss Statement        | 3,084.81                              | 2,363.31                              |
| Add: Transferred From Other Comprehensive Income  | 0.15                                  | 5,680.01                              |
| Less: Dividend Paid                               | 68.02                                 | 54.42                                 |
| <b>Balance at the end of the year</b>             | <u>8,642.52</u>                       | <u>5,625.59</u>                       |
| <b>Other Comprehensive Income(OCI)</b>            |                                       |                                       |
| As per last balance sheet                         | 117.52                                | 112.37                                |
| Add: Movement in OCI (Net of Tax) during the year | 4.50                                  | 5.15                                  |
| Less: Reclassified to Profit/(Loss) on disposal   | (117.65)                              | -                                     |
| Less: Transferred to Retained Earnings            | (0.15)                                | -                                     |
| Closing Balance at the end of the year            | <u>4.22</u>                           | <u>117.52</u>                         |
| <b>Total</b>                                      | <u>15,228.41</u>                      | <u>14,209.04</u>                      |

### 13(a) Capital Subsidy Reserve

Capital subsidy reserve, represents the subsidy received from the Government in respect of capital investment made under the State/Central Government Investment Scheme .

### 13(b) General Reserve

General Reserve is the free Reserve arising out of profit earned by the company after appropriation till date.

### 13(c) Capital Redemption Reserve

Capital Redemption Reserve represents amount of buy back of company's own shares and redemption of preference shares by paying out of Securities Premium Account and Genral Reserve. This reserve can be utilised in accordance with the provision of Companies Act, 2013.

### 13(d) Capital Reserve on Revaluation on Land

Capital Reserve on revaluation of land was created at the time of revaluation of land (Stock in trade). This reserve is utilised at the time of sale of land.

### 13(e) Retained Earnings

Retained Earnings represent the cumulative profits of the company and effect of re-measurement of defined benefit obligations. This reserve can be utilised in accordance with the Companies Act , 2013.

### 13(f) Other Comprehensive Income

Other comprehensive Income (OCI) represents fair value of changes of specified items which will be classified to statement of profit/loss in future.

# CONSOLIDATED

# NOTES

As at  
31<sup>st</sup> March, 2024

As at  
31<sup>st</sup> March, 2023  
(Rs. In Lakhs)

## Non Current Liabilities

### 14 Borrowings

Secured Loan

**Vehicle Loans** (Secured by hypothecation of Vehicles & on personal guarantee of Mr. Saleem I Shervani, Chairman) & Mr. Mustafa R. Shervani (Managing Director)

352.87

128.28

**Term Loan** (Secured by hypothecation of All Cash Flows, Receivables of the Company & on personal guarantee of Mr. Saleem I Shervani, the Chairman) & Mr. Mustafa R. Shervani (Managing Director)

1,512.63

-

**Total**

1,865.50

128.28

**Maturity Proceeds of Loans are as under :-**

| Particular   | Repayment Amount |         |         |                   | Total Amount |
|--------------|------------------|---------|---------|-------------------|--------------|
|              | 2024-25          | 2025-26 | 2026-27 | 2027-28 & onwards |              |
| Vehicle Loan | 63.50            | 63.76   | 62.91   | 226.20            | 416.37       |
| Term Loan    | -                | -       | -       | 1,512.63          | 1,512.63     |

### 15 Provisions

Provision for Employee Benefits

-

0.50

**Total**

-

0.50

## Current Liabilities

### 16 Deferred Tax (Assets)/Liabilities(Net)

Deferred Tax Liabilities

Related to Property, Plant and Equipment

94.58

78.43

Deferred Tax Assets

Less: Disallowed Expenses

-

(0.99)

Mat Credit Entitlement

(303.34)

(3.29)

**Total**

(208.76)

74.15

### 17 Borrowings

#### Secured Loan From Banks

Current Maturity of Long Term Debt (Refer Note No. 14)

63.50

16.52

Overdraft from Banks (Secured by hypothecation of Fixed Deposit)

1,214.86

0.99

State Bank of India CC A/c

-

1.54

(Secured by pledge of Inventory on personal guarantee of Mr. Saleem I Shervani, Chairman & Mr. Tahir Hasan, the Chief Financial Officer of the Company)

Loan from Director

10.00

10.00

**Total**

1,288.36

29.05

### 17.1 Change in Liabilities arising from Financing Activities

| Particulars                          | Current Borrowings Including Current Maturity of Long Term Borrowings | Non Current Borrowings |
|--------------------------------------|---|------------------------|
| Opening balance as at 1st April 2022 | 997.57  | 172.86                 |
| Addition/(Deletion) During the year  | (968.52)  | (44.58)                |
| Interest Expenses                    | 19.22   | -                      |
| Cash Flow ( Net)                     | 949.30  | (44.58)                |
| Balance as at March 2023             | 29.05   | 128.28                 |
| Proceeds From Borrowing              | 1,259.31  | 1,737.22               |
| Interest Paid                        | (48.95)   | (13.07)                |
| Cash Flow ( Net)                     | 1,210.36  | 1,724.15               |
| Balance as at March 2024             | 1,288.36  | 1,865.50               |

### 18 Trade Payables\*

Dues towards Others

348.56

119.77

**Total**

348.56

119.77

\* Refer Note No. 49

**CONSOLIDATED****NOTES**

|   | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023<br>(Rs. In Lakhs) |
|---|------------------------------|--|
| <b>19 Other Financial Liabilities</b>   |                              |  |
| Unpaid Dividend   | 101.35                       | 100.04   |
| <b>Total</b>  | <b>101.35</b>                | <b>100.04</b>                                  |
| <b>20 Other Current Liabilities</b>   |                              |  |
| Advance from Customer   | 3,056.75                     | 10608.87                                       |
| Security Deposits   | 89.37                        | 119.05   |
| GST Payable   | 6.80                         | 7.73   |
| Other Payables*   | 642.79                       | 531.81   |
| <b>Total</b>  | <b>3,795.71</b>              | <b>11,267.46</b>                               |
| *Other paybles includes statutory liability, employee liability etc.  |                              |  |
| <b>21(a) Provisions</b>   |                              |  |
| Provision for Employee Benefits   | -                            | 1.84   |
| <b>Total</b>  | <b>-</b>                     | <b>1.84</b>                                    |
| <b>21(b) Current Tax Liability (Net)</b>  |                              |  |
| Current Tax Liability   | 71.27                        | -  |
| <b>Total</b>  | <b>71.27</b>                 | <b>-</b>                                       |
| <b>22 Revenue from Operations</b>   |                              |  |
| Sale of Plot & Flat (including transfer from Revaluation Reserve Rs. 1244.03 Lacs, Previous year Rs. 753.78 Lacs) | 12,259.52                    | 2,155.79                                       |
| Income from IT Business   | 1,521.94                     | -  |
| Sale of Product (Job Charges)   | 488.54                       | 493.92   |
| Sale of Live Stock  | -                            | 21.55  |
| <b>Total</b>  | <b>14,270.00</b>             | <b>2,671.26</b>                                |
| <b>23 Other Income</b>  |                              |  |
| Interest Received   | 106.24                       | 77.06  |
| Sundry Balances Written Back  | -                            | 3.07   |
| <b>Other Non-Operating Income</b>   |                              |  |
| Rent  | 13.52                        | 14.48  |
| Provision of Liability No Longer Required   | 11.27                        | 0.50   |
| Profit on Sale of Vehicles  | 17.56                        | -  |
| Profit on Sale of Investments (Net)   | 204.52                       | 4.19   |
| Dividend Received   | 40.78                        | 33.99  |
| Miscellaneous Receipts  | 7.86                         | 6.42   |
| <b>Total</b>  | <b>401.76</b>                | <b>139.71</b>                                  |
| <b>24 Construction Expenses</b>   | 3,395.83                     | 3,939.08                                       |
| <b>Total</b>  | <b>3,395.83</b>              | <b>3,939.08</b>                                |
| <b>25 Change in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade Inventories (at close)</b>     |                              |  |
| Stock-in-Trade (Real Estate)  | 4,254.02                     | 5,565.28                                       |
| Work-in-Progress  | 10,048.14                    | 13,938.33                                      |
| Live Stock  | 43.45                        | 43.45  |
|   | <b>14,345.61</b>             | <b>19,547.06</b>                               |
| <b>Inventories (at commencement)</b>  |                              |  |
| Stock-in-Trade (Real Estate)  | 5,565.28                     | 6,306.77                                       |
| Work-in-Progress  | 13,938.33                    | 10,510.49                                      |
| Less: Capital Work-in-Progress- Hospital*   | (42.26)                      | -  |
| Live Stock  | 43.45                        | 43.45  |
|   | <b>19,504.80</b>             | <b>16,860.71</b>                               |
| <b>Change in Inventories</b>  | <b>5,159.19</b>              | <b>(2,686.35)</b>                              |

**CONSOLIDATED****NOTES****Year ended  
March 31, 2024****Year ended  
March 31, 2023**

(Rs. In Lakhs)

\*The management has decided not to sell the hospital project to customers. Instead hospital project will be used as its own business undertaking / unit. Therefore total expenses amounting to Rs. 42.26 Lakh incurred till 31-03-2023 in hospital project has been regrouped as Capital Work in progress under Non- Current Assets.

|  |               |               |
|--|---------------|---------------|
| <b>26 Employee Benefit Expense</b>   |               |               |
| Salaries and Wages   | 523.79        | 408.31        |
| Contribution to Provident and Other Funds  | 26.42         | 16.91         |
| Staff Welfare Expenses   | 7.31          | 8.07          |
| <b>Total</b>   | <b>557.52</b> | <b>433.29</b> |
| <b>27 Finance Cost</b>   |               |               |
| Interest paid for Bank Borrowings  | 15.07         | 19.22         |
|  | <b>15.07</b>  | <b>19.22</b>  |
| <b>28 Depreciation and Amortisation Expenses</b>                                   |               |               |
| Depreciation   | 98.29         | 93.06         |
|  | <b>98.29</b>  | <b>93.06</b>  |
| <b>29 Other Expenses</b>   |               |               |
| Rent   | 8.46          | 13.26         |
| Project Maintenance Expenses   | 341.65        | 24.08         |
| Power & Fuel   | 171.83        | 169.22        |
| Repair Buildings   | 13.90         | 5.05          |
| Repair to Plant & Machinery  | 14.19         | 8.51          |
| Other Manufacturing Expenses   | 1.16          | 1.16          |
| Insurance  | 7.75          | 8.12          |
| Rates and Taxes  | 8.13          | 4.25          |
| Vehicle Maintenance  | 23.24         | 27.06         |
| Professional Charges   | 41.43         | 58.23         |
| Travelling and Conveyance Expenses   | 5.18          | 9.24          |
| <b>Payments to The Auditors</b>  |               |               |
| As Auditor   | 1.75          | 2.07          |
| For Other Services   | 0.50          | 0.59          |
| Directors' Sitting Fee   | 8.05          | 8.50          |
| GST Paid (on Reverse Charge)   | 1.33          | 1.62          |
| CSR Expenses   | 4.50          | 16.00         |
| Electric Charges   | 31.85         | 27.67         |
| Safety & Protection  | 22.82         | 21.19         |
| Maintenance Charges (UPSIDA)   | 2.40          | 2.40          |
| Sanitation   | 14.79         | 11.65         |
| Labour Expenses  | 26.46         | -             |
| Expenses related to Share Buyback  | 29.28         | -             |
| Rearing Expenses   | -             | 15.06         |
| Miscellaneous Expenses   | 102.17        | 97.35         |
| <b>Total (A)</b>   | <b>882.81</b> | <b>532.28</b> |
| Selling and Distribution Expenses  | 72.44         | 55.63         |
| Brokerage  | -             | 33.05         |
| Total (B)  | 72.44         | 88.68         |
| <b>Total (A+B)</b>   | <b>955.25</b> | <b>620.96</b> |
| <b>30 Earning Per Share</b>  |               |               |
| Net profit available for Equity Shareholders<br>(Numerator used for calculation)   | 3,084.81      | 2363.31       |
| Weighted Average No. of Equity Shares<br>(Used as Denominator for calculating EPS) | 25,72,973     | 27,21,018     |
| Basic Earning per Share of Rs. 10/-  | 119.01        | 86.85         |
| Diluted Earning per Share of Rs. 10/-  | 114.25        | 86.85         |

# CONSOLIDATED

# NOTES

|   | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
|---|------------------------------|------------------------------|
| <b>31 Tax Expense</b>   |                              |                              |
| <b>A. Amount recognised in Profit or Loss Account</b>   |                              |                              |
| <b>Current Tax</b>  |                              |                              |
| Income tax for the year   | 272.42                       | 63.93                        |
| Adjustment related to previous year -Net  | <u>(0.63)</u>                | <u>(0.27)</u>                |
| <b>Total Current Tax (A)</b>  | <b><u>271.79</u></b>         | <b><u>63.66</u></b>          |
| <b>Deferred Tax</b>   |                              |                              |
| <b>Deferred Tax for the year</b>  | 17.15                        | 16.19                        |
| Adjustment related to previous year -Net  | -                            | -                            |
| <b>Total Deferred Tax (B)</b>   | <u>17.15</u>                 | <u>16.19</u>                 |
| <b>Total Tax Expense (A+B)</b>  | <b><u>288.94</u></b>         | <b><u>79.85</u></b>          |
| <b>B. Amount recognised in other Comprehensive Income</b>   |                              |                              |
| The tax (charge)/credit arising on income and expenses recognised in other Comprehensive Income is as follows | -                            | -                            |
| <b>Deferred Tax</b>   |                              |                              |
| On items that will not be reclassified to Profit or Loss  | -                            | -                            |
| On items that will be reclassified to Profit or Loss  | -                            | -                            |
| <b>Total</b>  | <u>-</u>                     | <u>-</u>                     |
| Reconciliation of effective tax rate  |                              |                              |
| The income tax expense for the year can be reconciled to the accounting profit as follows                     |                              |                              |
| Profit Before Tax   | 3,278.37                     | 391.72                       |
| Applicable Tax Rate   | 27.00                        | 27.00                        |
| Computed Tax Expense  | 885.16                       | 104.79                       |
| Adjustment in respect of Current Income Tax of Previous Year  | (0.63)                       | (0.27)                       |
| <b>Tax effect of</b>  |                              |                              |
| Exempted Income   | -                            | 0.00                         |
| Expenses Allowed/Disallowed under Income Tax Act (Net)  | 1,991.45                     | 135.47                       |
| Tax Adjustment of last years  | <u>(0.63)</u>                | <u>(0.27)</u>                |
| <b>Current Tax Provisions (A)</b>   | <b><u>271.79</u></b>         | <b><u>63.66</u></b>          |
| Incremental Deferred Tax Asset / (Liability) on account of Tangible and Intangible Assets                     | 16.65                        | 5.52                         |
| Incremental Deferred Tax Asset / (Liability) on account other Timing Differences                              | <u>0.50</u>                  | <u>10.67</u>                 |
| <b>Deferred Tax Asset / (Liability) (B)</b>   | <b><u>17.15</u></b>          | <b><u>16.19</u></b>          |
| Adjustments recognised in the current year in relation to the current tax of prior years (C)                  | -                            | -                            |
| Tax Expenses recognised in Statement of Profit and Loss (A-B-C)   | <u>288.94</u>                | <u>79.85</u>                 |
| <b>Effective Tax Rate</b>   | <b><u>8.81</u></b>           | <b><u>20.38</u></b>          |

## 32 Related Party Disclosures as required under Ind AS-24 are given below

Related Party disclosures as required under section 188 of Companies Act, 2013 has been made with whom transactions has been made during the year.

### Wholly Owned Subsidiary Company

Farco Foods Private Limited

### Associate Companies

Star Hotels Private Limited

Youngtronics India Private Limited

### Key Managerial Personnel (KMP)

Mr. Mustafa Rashid Shervani, Managing Director

Mr. Tahir Hasan, Chief Financial Officer

Mr. S. K. Shukla, Company Secretary

**Executive Directors**

Mr. Saleem Iqbal Shervani, Chairman  
Mr. Sadiq Husain Siddiqui, Director (Corporate Affairs)

**Non Executive Directors**

Dr. A.P. Singh, Chairman, Independent Non Executive  
Mr. G.S. Chaturvedi, Director Independent Non Executive  
Mr. Mohd. Aslam Sayeed, Director Independent Non Executive  
Mr. Raju Verghese, Director Independent Non Executive  
Ms. Aradhika Chopra, Director Independent Non Executive  
Mr. Syed Zafar Subhan, (Non Executive Director), Farco Foods Private Limited  
Mr. T. Nadesan, (Non Executive Director), Farco Foods Private Limited  
Mr. Sajid Husain Siddiqui, (Non Executive Director), Farco Foods Private Limited

**Relatives**

Mrs. Salma Hasan  
Mr. Yasser Niaz Hasan  
Mrs. Iram Ibrahim Shervani

| <b>Related parties with whom transactions have taken place</b> | <b>KMP</b> | <b>Relative of KMP and Other Directors</b> | <b>Associate Companies</b> | <b>Subsidiary Company</b> |
|--|------------|--|----------------------------|---------------------------|
| <b>Short Term Benefits (Remuneration)</b>                      |            |  |                            |                           |
| Current Year   | 58.22      | 39.90                                      | -                          | -                         |
| (Previous Year)  | (47.65)    | (48.49)                                    | -                          | -                         |
| <b>Employee Benefit Expenses</b>                               |            |  |                            |                           |
| Current Year   | 8.89       | 1.74                                       | -                          | -                         |
| (Previous Year)  | (6.53)     | (4.85)                                     | -                          | -                         |
| <b>Rent received</b>   |            |  |                            |                           |
| Current Year   | -          | -  | 1.05                       | -                         |
| (Previous Year)  | -          | -  | (1.05)                     | -                         |
| <b>Sitting Fee</b>   |            |  |                            |                           |
| Current Year   | 8.05       | -  | -                          | -                         |
| (Previous Year)  | (7.90)     | -  | -                          | -                         |
| <b>Loans</b>   |            |  |                            |                           |
| Balance (Net of Provision)                                     |            |  |                            |                           |
| Current Year   | -          | -  | -                          | 489.73                    |
| (Previous Year)  | -          | -  | -                          | (489.73)                  |
| <b>Selling Commission</b>                                      |            |  |                            |                           |
| Current Year   | -          | 2.44                                       | -                          | -                         |
| (Previous Year)  | -          | (33.05)                                    | -                          | -                         |

**33 Contingent Liabilities and Commitments**

|     | <b>Particular</b>  | <b>As At 31st, March, 2024</b> | <b>As At 31st, March, 2023</b> |
|-----|--|--------------------------------|--------------------------------|
| (a) | In respect of Income Tax Demand for Assessment Year 2018-19 for which appeal is filed with Income Tax Department | 2839.62*                       | 2,839.62                       |
| (b) | In respect of Income Tax Demand for Assessment Year 2010-11 for which appeal is filed with Income Tax Department | 109.54                         | 109.54                         |

\*Rs. 223.29 Lakh has been deposited against demand of AY 2018-19.

**34** Previous year's figures have been regrouped/reclassified and restated wherever necessary to correspond with the current year's classification/disclosure.

**35 Financial Instruments and Related Disclosures Capital Management:**

The Company's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The Company funds its operations basically through internal accruals. The Company aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern.

**Categories of Financial Instruments**

| Particulars                                  | Note    | As at 31st March, 2024 |                | As at 31st March, 2023 |                 |
|--|---------|------------------------|----------------|------------------------|-----------------|
|  |         | Carrying Value         | Fair Value     | Carrying Value         | Fair Value      |
| <b>A. FINANCIAL ASSETS</b>                   |         |                        |                |                        |                 |
| <b>a) Measured at amortized cost</b>         |         |                        |                |                        |                 |
| Trade Receivables                            | 7       | 185.82                 | 185.82         | 296.55                 | 296.55          |
| Cash and Cash Equivalents                    | 8       | 432.72                 | 432.72         | 104.42                 | 104.42          |
| Other Bank Balances                          | 9       | 1,176.42               | 1176.42        | 1,458.37               | 1458.37         |
| Other Financial Assets                       | 10      | 469.75                 | 469.75         | 236.00                 | 236.00          |
| <b>Sub-total</b>                             |         | <b>2264.71</b>         | <b>2264.71</b> | <b>2,095.34</b>        | <b>2095.34</b>  |
| <b>b) Measured at fair value through OCI</b> |         |                        |                |                        |                 |
| Investments                                  | 6       | 3,577.06               | 3577.06        | 2,829.97               | 2,829.97        |
| <b>Total Financial Assets</b>                |         | <b>3577.06</b>         | <b>3577.06</b> | <b>2,829.97</b>        | <b>2,829.97</b> |
| <b>B. FINANCIAL LIABILITIES</b>              |         |                        |                |                        |                 |
| <b>Measured at amortized cost</b>            |         |                        |                |                        |                 |
| Borrowings                                   | 14 & 17 | 3,153.86               | 3153.86        | 157.33                 | 157.33          |
| Trade Payables                               | 18      | 348.56                 | 348.56         | 119.77                 | 119.77          |
| Other Financial Liabilities                  | 19      | 101.35                 | 101.35         | 100.04                 | 100.04          |
| <b>Total Financial Liabilities</b>           |         | <b>3,603.77</b>        | <b>3603.77</b> | <b>377.14</b>          | <b>377.14</b>   |

**36 FINANCIAL RISK MANAGEMENT OBJECTIVES:**

The company's has proper system of risk management policies and procedure and internal financial control aimed at ensuring early identification evaluation and management of key financial risks (Such as credit risk, liquidity risk and market risk)that may cause as a consequence of business of operation as well as its investing and financial activities. Risk management policies and systems are reviewed regularly to reflect changes in market condition and the company's activities.

The company has exposure to the following risks arising from financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

**Credit Risk :**

The risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The company's historical experience of collecting receivables and the level of default indicate credit risk is low. The company establish an allowance for impairment that represents its expected credit losses in respect of trade receivable, loans and other receivable. During the year based on specific assessment, the company has not recognised any trade receivable, loans and other receivable as bad debts.

**Liquidity Risk :**

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Prudent The company's approach to managing liquidity is to ensure, as far as possible, that the company will have sufficient liquidity to meets its liabilities when they are due under both normal and stressed conditions without incurring unacceptable loss or damage to the company's goodwill/reputation .

The Company's Current Assets aggregate to Rs. 17486.10 lacs, Rs. (22028.69) lacs against an aggregate Current Liability of Rs. 5605.25 lacs, Rs (11,720.21) lacs. Non Current Liability of Rs. 1865.50 lacs, Rs. (202.93) Lacs on the reporting date 31-03-2024 and Previous year ended (31.03.2023) respectively. Further, while the Company's total Equity Rs. 15487.71 lacs, Rs. (14481.14) lacs. it has total borrowings Rs. 3153.86 lacs, Rs. (157.33) lacs.



In above circumstances, liquidity risk or the risk that the company may not be able to settle or meet obligations as they become due does not exist.

**Market Risk:**

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

The company is not an active investor in equity markets. The company invests in mutual fund schemes of leading fund houses. Such an investments are susceptible to market price risk that arise mainly from changes in interest rate which may impact the return and value of such investments.

**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 markets for identical assets or liabilities that the entity can access at the measurement date. A quoted price in an active market provides the most reliable evidence of fair value and shall be used without adjustment to measure fair value.

**Level 2:**

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3:**

Level 3 inputs are unobservable inputs for the asset or liability. Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available.

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

- 37 The Government of India on September 20, 2019, vide the Taxation Law (Amendment) Ordinance 2019, inserted a new section 115BAA in the Income Tax Act, 1961 which provides domestic companies a non-reversible option to pay Corporate Tax at reduced rate effective, April 01, 2019, subject to certain conditions. The Company is continuing to provide for income tax at old rates based on the available unutilised minimum alternative tax credit.
- 38 The company did not enter into any transaction with companies struck off under section 24B of the Companies Act, 2013 or section 560 of Companies Act, 1956. There are no outstanding balances (payable to / receivable from) with struck off companies.
- 39 There are no charges or satisfaction yet to be registered with ROC beyond the statutory period as no loan/guarantee have been taken by the company.
- 40 The company has not entered in any Scheme of Arrangements and no Scheme of Arrangements has been approved by the Competent Authority in terms of section 230 to 237 of the Companies Act 2013.
- 41 The company did not hold any Benami Properties and no proceeding has been initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 42 The Company is not declared wilful defaulter by any Bank or financial institution or any other Lender.
- 43 The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- 44 All transactions have been recorded in the books of account and no unrecorded income has been disclosed during the year in the tax assessments under the Income-Tax Act, 1961. Moreover there are no unrecorded income and related assets pertaining to previous years.
- 45 The Company has complied with the number of layers prescribed under (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.
- 46 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. The Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 47 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, 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.

**48. Trade Receivables Ageing as on 31.03.2024**

| Particulars  | Outstanding from following periods from due date of Receipts |                 |              |             |                   | Total         |
|--|--|-----------------|--------------|-------------|-------------------|---------------|
|  | Less than 6 Months   | 6 Months-1 Year | 1-2 Years    | 2-3 Years   | More Than 3 Years |               |
| Undisputed Trade Receivables- Considered Good                                | 86.89  | 9.53            | 20.32        | 8.82        | 60.26             | 185.82        |
| Undisputed Trade Receivables- which have significant increase in credit risk | -  | -               | -            | -           | -                 | -             |
| Undisputed Trade Receivables- credit impaired                                | -  | -               | -            | -           | -                 | -             |
| Disputed Trade Receivables- Considered Good                                  | -  | -               | -            | -           | -                 | -             |
| Disputed Trade Receivables- which have significant increase in credit risk   | -  | -               | -            | -           | -                 | -             |
| Disputed Trade Receivables- credit impaired                                  | -  | -               | -            | -           | -                 | -             |
| <b>Total</b>   | <b>86.89</b>   | <b>9.53</b>     | <b>20.32</b> | <b>8.82</b> | <b>60.26</b>      | <b>185.82</b> |

**Trade Receivables Ageing as on 31.03.2023**

| Particulars  | Outstanding from following periods from due date of Receipts |                 |              |              |                   | Total         |
|--|--|-----------------|--------------|--------------|-------------------|---------------|
|  | Less than 6 Months   | 6 Months-1 Year | 1-2 Years    | 2-3 Years    | More Than 3 Years |               |
| Undisputed Trade Receivables- Considered Good                                | 149.32   | 38.97           | 37.28        | 33.71        | 37.22             | 296.50        |
| Undisputed Trade Receivables- which have significant increase in credit risk | 0.05   | -               | -            | -            | -                 | 0.05          |
| Undisputed Trade Receivables- credit impaired                                | -  | -               | -            | -            | -                 | -             |
| Disputed Trade Receivables- Considered Good                                  | -  | -               | -            | -            | -                 | -             |
| Disputed Trade Receivables- which have significant increase in credit risk   | -  | -               | -            | -            | -                 | -             |
| Disputed Trade Receivables- credit impaired                                  | -  | -               | -            | -            | -                 | -             |
| <b>Total</b>   | <b>149.37</b>  | <b>38.97</b>    | <b>37.28</b> | <b>33.71</b> | <b>37.22</b>      | <b>296.55</b> |

**49. Trade Payable Ageing as on 31.03.2024**

| Particulars                 | Outstanding from following periods from due date of Payments |              |             |                   | Total         |
|-----------------------------|--|--------------|-------------|-------------------|---------------|
|                             | Less than 1 Year   | 1-2 Years    | 2-3 Years   | More Than 3 Years |               |
| (i) MSME                    | -  | -            | -           | -                 | -             |
| (ii) Others                 | 326.24   | 11.41        | 2.50        | 8.41              | 348.56        |
| (iii) Disputed dues - MSME  | -  | -            | -           | -                 | -             |
| (iv) Disputed dues - Others | -  | -            | -           | -                 | -             |
| <b>Total</b>                | <b>326.24</b>  | <b>11.41</b> | <b>2.50</b> | <b>8.41</b>       | <b>348.56</b> |

**Trade Payable Ageing as on 31.03.2023**

| Particulars                 | Outstanding from following periods from due date of Payments |              |             |                   |               |
|-----------------------------|--|--------------|-------------|-------------------|---------------|
|                             | Less than 1 Year   | 1-2 Years    | 2-3 Years   | More Than 3 Years | Total         |
| (i) MSME                    | -  | -            | -           | -                 | -             |
| (ii) Others                 | 97.45  | 15.39        | 0.40        | 6.53              | 119.77        |
| (iii) Disputed dues - MSME  | -  | -            | -           | -                 | -             |
| (iv) Disputed dues - Others | -  | -            | -           | -                 | -             |
| <b>Total</b>                | <b>97.45</b>   | <b>15.39</b> | <b>0.40</b> | <b>6.53</b>       | <b>119.77</b> |

**50. Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary**

| Name of Enterprise                    | Net Assets i.e. Total Assets minus Total Liabilities |                      | Share in Profit or Loss             |                 |
|---------------------------------------|--|----------------------|-------------------------------------|-----------------|
|                                       | As % of consolidated Net Assets                      | Amount (Rs. in Lakh) | As % of consolidated Profit or Loss | Rs. In Lakhs    |
| <b>Parent</b>                         |  |                      |                                     |                 |
| Shervani Industrial Syndicate Limited | 100.80%  | 15,364.40            | 99.54%                              | 3,075.10        |
| <b>Subsidiaries</b>                   |  |                      |                                     |                 |
| Farco foods Private Limited           | -0.80%   | (123.32)             | 0.46%                               | 14.21           |
| <b>TOTAL</b>                          | <b>100%</b>  | <b>15,487.72</b>     | <b>100%</b>                         | <b>3,089.31</b> |

\*Excluding the Share of Profit/Loss of Associates Companies

**51. Salient Features of Financial Statements of Subsidiary as per Companies Act, 2013**

(Rs. In Lakhs)

| Sr. No. | Name of Subsidiary Company  | Reporting Currency | Share Capital | Other Equity | Total Assets | Total Liabilities | Investments | Turnover / Total Income | Profit Before taxation | Provision for Taxation (Including Deferred Tax) | Profit After Taxation | Proposed Dividend | % of Shareholding |
|---------|-----------------------------|--------------------|---------------|--------------|--------------|-------------------|-------------|-------------------------|------------------------|---|-----------------------|-------------------|-------------------|
| 1       | Farco Foods Private Limited | INR                | 90            | (123.32)     | 600.80       | 724.12            | -           | 497.36                  | 19.25                  | 5.04  | 14.21                 | -                 | 100%              |

**52. Statement pursuant to section 129(3) of the Companies Act 2013 related to Associate Companies**

| Sr No | Name of Associates                 | Shares of Associates held by the Company on year end |              |                                   |                     |  | Profit/(Loss) for the year  |                                 |   |   |  |
|-------|------------------------------------|--|--------------|-----------------------------------|---------------------|--|-----------------------------|---------------------------------|---|---|--|
|       |                                    | Latest Audited Balance Sheet date                    | No of Shares | Amount of Investment in Associate | Extend of Holding % | Net Worth attributable to Shareholding as per latest Balance Sheet | Considered in Consolidation | Not Considered in Consolidation | Description of how there is significant influence | Reason why the Associates is not Consolidated |  |
| 1     | Star Hotels Private Limited        | 31.03.2024   | 22,65,750    | 881.43                            | 35.40%              | 2314.55  | 95.38                       | NIL                             | 35.40 % Shares Held                               | -   |  |
| 2     | Youngtronics India Private Limited | 31.03.2024   | 85,000       | NIL*                              | 46.33%              | -  | -                           | NIL                             | 46.33% Shares Held                                | Refer Note                                    |  |

**Note:** 100% Provision have been made in previous year against Investment in Associate, therefore no loss has been considered.

**53. Interest in Associate**

Below is the Associate of the Group which in the opinion of the management is material to the group which has been accounted as per equity method of accounting.

| <b>Star Hotels Private Limited</b> |                             |                                  |                         |                         |                         |
|------------------------------------|-----------------------------|----------------------------------|-------------------------|-------------------------|-------------------------|
| Name of the Entity                 | Principal Place of Business | Proportion of Ownership Interest |                         | Unquoted Fair Value     |                         |
|                                    |                             | As at<br>31 March, 2024          | As at<br>31 March, 2023 | As at<br>31 March, 2024 | As at<br>31 March, 2023 |
| Star Hotels Private Limited        | India                       | 35.40%                           | 35.40%                  | 2410.64                 | 2315.25                 |

**54. Approval of Consolidated Financial Statements**

The Consolidated Financial Statement were approved for publication by the Board of Directors on 24th May, 2024.

# **SHERVANI INDUSTRIAL SYNDICATE LIMITED**

**Shervani Nagar, Sulem Sarai, Prayagraj - 211015 (U.P.)**

**Phone: +91-7311128115 Fax: +91-532-2436928**

**e-mail: [shervaniind@rediffmail.com](mailto:shervaniind@rediffmail.com)**

**[www.shervaniind.com](http://www.shervaniind.com)**

**CIN : L45202UP1948PLC001891**