

SCARNOSE INTERNATIONAL LIMITED

CIN: U15400GJ2011PLC064911

Registered office: 503, Sun Square, Nr. Hotel Nest, Off. C.G. Road, Navrangpura, Ahmedabad-380006 , Gujarat, India.

Mob. No.: 9090732032

Date: 3rd July, 2024

To,
BSE Limited
Phiroze Jeejeebhoy Tower,
Dalal Street,
Mumbai – 400 001

Dear Sir / Ma'am,

Subject: Submission of Annual Report for Financial Year 2023-24

Ref: Security ID: SCARNOSE, Security Code: 543537

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the 13th Annual General Meeting of the Company to be held on Thursday, 25th July, 2024 at 4:00 P.M through Video Conferencing/ other Audio-Visual means (VC/ OVAM).

Kindly take the same on your record and oblige us.

Thanking You.

For, Scarnose International Limited

Shraddha Dev Pandya
Managing Director
DIN: 09621935



CIN: U15400GJ2011PLC064911

ANNUAL REPORT



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CORPORATE INFORMATION

Registered Office: 503, Sun Square, Nr. Hotel Nest, Off. C.G. Road, Navrangpura, Ahmedabad-380006.

Board of Directors		
NAME	DIN	DESIGNATION
Mr. Kunjal Jayantkumar Soni	08160838	Director
Ms. Shraddha Dev Pandya	09621935	Managing Director
Ms. Maharshi Jigar Pandya	09621936	Additional Director
Ms. Drashtiben Prafulbhai Dedaniya	10219807	Additional Director

Key Managerial Personnel	
NAME	DESIGNATION
Mr. Ashvinbhai Gopalbhai Donga	CFO
Ms. Heli Jitendrabhai Modi	Company Secretary

Auditors	
Statutory Auditor	Secretarial Auditor
M/s. S V J K And Associates Chartered Accountants 813, I Square Business Park, NR. Shukan Mall, Besides CIMS Hospital, Science City Road, Sola, Ahmedabad 380060, Gujarat, India. Mail ID: info.caadvisors@gmail.com	M/s. Prachi Bansal and Associates House no 837 Sector 28, Faridabad, 121008. Mail id- Prachi.jain2805@gmail.com

Committee Names	Name	Designation
Audit Committee	Mr. Kunjal Jayantkumar Soni	Chairperson
	Ms. Maharshi Jigar Pandya	Member
	Ms. Drashtiben Prafulbhai Dedaniya	Member
Nomination & Remuneration Committee	Ms. Drashtiben Prafulbhai Dedaniya	Chairperson
	Mr. Kunjal Jayantkumar Soni	Member
	Ms. Maharshi Jigar Pandya	Member
Stakeholder's Relationship Committee	Ms. Maharshi Jigar Pandya	Chairperson
	Mr. Kunjal Jayantkumar Soni	Member
	Ms. Shraddha Dev Pandya	Member

Registrar & Share Transfer Agent	Bankers
Cameo Corporate Services Ltd Subramanian Building, 1, Club House Road, Chennai, Tamil Nadu, 600002 Tel. 44-40020700 Email Id: investor@cameoindia.com , Website: www.cameoindia.com	IDFC First Bank Axis bank Ltd

NOTICE TO ANNUAL GENERAL MEETING

Notice is hereby given that the 13th Annual General Meeting (“AGM”) of the Members of Scarnose International Limited will be held on Thursday, 25th July, 2024 at 4.00 P.M. through Video Conferencing (VC) / Other Audio Video Means (OAVM) to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on 31st March, 2024 comprising of the Balance Sheet as at 31st March, 2024, Statement of Profit & Loss Account and Cash Flow Statement as on that date and the Explanatory Notes annexed to, and forming part of, any of the above documents together with the Report of the Board of Director’s and Auditor’s thereon.
2. To appoint a director in place of Ms. Maharshi Jigar Pandya (DIN: 09621936) who retires by rotation and being eligible offer herself for re-appointment.
3. **APPOINTMENT OF STATUTORY AUDITOR TO FILL CASUAL VACANCY**

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

“**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Audit and Auditors Rules), 2014 (the Rules), including any statutory modification(s) or re-enactment(s) thereof for the time being in force and on the recommendation of the Audit Committee and the Board of Directors, the consent of the members of the Company be and are hereby accorded to appoint, M/s. K M Chauhan & Associates, Chartered Accountants, Rajkot, (FRN:125924W) as the Statutory Auditors of the Company for a term of 5 years from 01st April, 2024 to 31st March, 2029 and to hold office until the conclusion of the Annual General Meeting to be held in the year 2029, on such remuneration plus tax, out-of-pocket expenses as may be mutually agreed between the Board of Directors of the Company.

RESOLVED FURTHER THAT any of the Director of the Company be and are hereby empowered and authorised singly or jointly to take such steps, in relation to the above and to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution and to file necessary E-Forms with Registrar of Companies, Gujarat.”

SPECIAL BUSINESS:

4. **TO APPROVE THE APPOINTMENT OF MS. SHRADDHA DEV PANDYA (DIN: 09621935) AS MANAGING DIRECTOR OF THE COMPANY.**

To consider and if thought fit pass with or without modification the following as a **Special resolution:**

“**RESOLVED THAT** pursuant to provision of Section 196, 197 and 203 and other applicable provisions of the Companies Act, 2013 (the Act) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), including statutory modification(s) or re-

enactment(s) thereof, for the time being in force read with the Articles of Association of the Company and on the recommendation of the Nomination and Remuneration Committee, consent of the members be and is hereby accorded for the appointment Dev Pandya”.

RESOLVED FURTHER THAT the remuneration payable to Ms. Shraddha Dev Pandya (DIN: 09621935) shall be upto Rs. 1,00,000/- per month as provided under Section 197 read with Schedule V of the Act or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT notwithstanding anything to the contrary herein contained, Ms. Shraddha Dev Pandya (DIN: 09621935) will also be entitled for the reimbursement of actual entertainment, travelling, boarding and lodging expenses incurred by him in connection with the Company’s business and such other benefits/ amenities and other privilege, as any from time to time.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to alter, amend, vary or modify the scope and quantum of remuneration of Ms. Shraddha Dev Pandya (DIN: 09621935), as a Managing Director, as they deem proper from time to time considering the nature and scope of her activities as shall be permissible and in conformity with applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT any of the Director of the Company be and is hereby authorized singly or jointly to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute all applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution.”

5. REGULARIZATION OF ADDITIONAL DIRECTOR, MS. DRASHTIBEN PRAFULBHAI DEDANIYA (DIN: 10219807) AS INDEPENDENT DIRECTOR OF THE COMPANY.

To consider and, if thought fit, to pass with or without modifications, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 read with Schedule IV to the Companies Act, 2013, and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Ms. Drashtiben Prafulbhai Dedaniya (DIN: 10219807), who was appointed by the Board of Directors as an Additional Director of the Company effective from 26th March, 2024 and who holds office up to the date of ensuing Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) and who is eligible for appointment and has consented to act as a Director of the Company be and is hereby appointed as an Independent Director of the Company and declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and are hereby appointed as an Independent Director of the Company, not liable to retire by rotation for term of five (5) consecutive years commencing with effect from 26th March, 2024 to 25th March, 2029.

RESOLVED FURTHER THAT any of the Director be and is hereby authorized singly or jointly of the Company be and are hereby authorized singly or jointly to take all necessary action in this regard making necessary application(s) to the Registrar of Companies, Gujarat and such other actions, matters and deeds as he may consider necessary for effective implementation of this resolution and matters incidental thereto.”

6. **REGULARIZATION OF ADDITIONAL DIRECTOR, MS. MAHARSHI JIGAR PANDYA (DIN: 09621936) AS NON-EXECUTIVE DIRECTOR OF THE COMPANY.**

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

“RESOLVED THAT pursuant to the provisions of Section 152, 161 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof) and any rules made thereunder, for the time being in force, read with the Articles of Association of the Company and on the recommendation of Nomination and Remuneration Committee, Ms. Maharshi Jigar Pandya (DIN: 09621936), who was appointed by the Board of Directors as an Additional Director of the Company effective from 28th May, 2024 and who holds office up to the date of ensuing Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) and who is eligible for appointment and has consented to act as a Director of the Company be and is hereby appointed as a Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT Mrs. Shraddha Dev Pandya (DIN: 09621936) Managing Director of the Company be and is hereby authorized singly or jointly be and are hereby authorized singly or jointly to take all necessary action in this regard making necessary application(s) to the Registrar of Companies, Gujarat and such other actions, matters and deeds as he may consider necessary for effective implementation of this resolution and matters incidental thereto.”

7. **SHIFTING OF REGISTERED OFFICE OUTSIDE THE LOCAL LIMITS OF THE TOWN WITHIN SAME STATE**

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

“RESOLVED THAT pursuant to the provisions of section 12 of the Companies Act, 2013 and Rules made thereunder and any other applicable provision, the consent of the members of the Company be and are hereby accorded to shift the registered office of the Company from 503, Sun Square, Off C. G. Road, Nr Hotel Nest, Navrangpura, Ahmedabad, Gujarat, 380006, to Surbhi Complex, Shop No. 202, 2nd Floor, Opp. Jaynath Petrol Pump, Gondal Road, Rajkot-360002 Gujarat, India i.e. outside the local limits of city, town or village but within the same state i.e. within the State of Gujarat.”

“RESOLVED FURTHER THAT, the Board of Directors be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to file necessary forms, documents and writings that may be required on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

Registered Office:

503, Sun Square, Nr. Hotel Nest,
Off. C.G. Road Navrangpura,
Ahmedabad, Gujarat-380006.

Place: Ahmedabad

Date: 2nd July, 2024

**By the Order of the Board of
Scarnose International Limited**

**Sd/-
Shraddha Dev Pandya
Managing Director
DIN: 09621935**

**Sd/-
Maharshi Jigar Pandya
Director
DIN: 09621936**

NOTES:

1. The relevant Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 ('Act') read with Section 110 of the Act and Rule 22 of the Companies (Management and Administration) Rules, 2014 ('Rules'), each as amended, setting out the material facts relating to the aforesaid Resolutions and the reasons thereof is annexed hereto and forms part of this Notice.
2. The 13th Annual General Meeting (AGM) will be held on Thursday, 25th July, 2024 at 4:00 P.M. IST through Video Conferencing (VC) / Other Audio Visual Means (OAVM), in compliance with the applicable provisions of the Companies Act, 2013 read with Ministry of Corporate Affairs' (MCA) General Circular no. 14/2020 dated 8th April, 2020, MCA General Circular no. 17/2020 dated 13th April, 2020, MCA General Circular No. 20/2020 dated 5th May, 2020, MCA General Circular No. 22/2020 dated 15th June, 2020, MCA General Circular No. 02/2021 dated 13th January, 2021 and Circular No. 02/2022 dated 5th May, 2022 and SEBI Circulars dated 12th May, 2021 and 15th January, 2021, Circular No. 02/2022 dated May 05, 2022, General Circular No. 09/2023 dated September 25, 2023, and in compliance with the provisions of the Companies Act, 2013 ("Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The deemed venue for the 13th AGM shall be the Registered Office of the Company.
3. This AGM is being held through VC / OAVM pursuant to MCA Circulars, physical attendance of the Members has been dispensed with. **Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.** Members have to attend and participate in the ensuing AGM through VC/OAVM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
4. Members of the Company under the category of 'Institutional Investors' are encouraged to attend and vote at the AGM through VC. Body Corporates whose Authorised Representatives are intending to attend the Meeting through VC/OAVM are requested to Email at scarnose13@gmail.com, a certified copy of the Board Resolution / authorization letter authorizing their representative to attend and vote on their behalf at AGM through E-voting.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended) and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote E-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote E-voting system as well as venue voting on the date of the AGM will be provided by NSDL.

8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at <https://www.bseindia.com/> and Company Website i.e. www.scarnose.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote E-voting facility) i.e. www.evoting.nsdl.com.
9. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.
10. The Board of Directors has appointed Mr. Gaurav Bachani (Membership No. 61110 ACS, CP No. 22830), Ahmedabad, Practicing Company Secretary, as the Scrutinizer to scrutinize the remote voting and e-voting process in fair and transparent manner.
11. The Scrutinizer will submit his consolidated report to the Chairman, or any other person authorised by him, after completion of scrutiny of the votes cast, and the result of the voting will be announced by the Chairman or any other person authorized by him. The Scrutinizer's decision on the validity of votes cast will be final.
12. The Results declared along with the Scrutinizer's Report shall be communicated to the Stock Exchange, where the equity shares of the Company are listed viz. BSE Limited and be made available on its website viz. <https://www.bseindia.com/>
13. **DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:**

In compliance with the MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report 2023-24 will be available on website of the Stock Exchange, i.e., BSE Limited at <https://www.bseindia.com/>, Company Website i.e. www.scarnose.com and on the website of NSDL at <https://www.evoting.nsdl.com/>. **Annual Report will not be sent in physical form.**

14. Members of the Company holding shares, either in physical form or in Dematerialized form, as on 28th June, 2024 will receive Annual Report for the financial year 2023-24 through electronic mode only.
15. The Register of Members and Share Transfer Books will remain closed from 18th July, 2024 to 25th July, 2024 (both days inclusive) for the purpose of Annual General Meeting (AGM).
16. Members holding shares in the dematerialized mode are requested to intimate all changes with respect to their bank details, ECS mandate, nomination, power of attorney, change of address, change in name, etc., to their Depository Participant (DP). These changes will be automatically reflected in the Company's records, which will help the Company to provide efficient and better service to the Members. Members holding shares in physical form are requested to intimate the changes to the Registrar & Share Transfer Agents of the Company (RTA) at its following address: Cameo Corporate Services Limited, Subramanian Building, 1, Club House Road, Chennai, Tamil Nadu, 600002 Email Id: investor@cameoindia.com.
17. In terms of the provisions of Section 152 of the Act, Ms. Maharshi Jigar Pandya, Director of the Company, who retires by rotation at this Annual General Meeting. The Nomination and Remuneration Committee and the Board of Directors of the Company recommend her re-appointment.

Ms. Maharshi Jigar Pandya is interested in the Ordinary Resolution set out at Item No. 2, of the Notice with regard to her re-appointment. The other relatives of Ms. Maharshi Jigar Pandya being shareholders of the Company may be deemed to be interested in the resolution set out at Item No. 2 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under Item No. 2 of the Notice.

18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DPs with whom they are maintaining their demat accounts and members holding shares in physical form to the Company / RTA.
19. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's RTA. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
20. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred/ traded only in dematerialized form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized.
21. Members are requested to quote their Folio No. or DP ID/ Client ID, in case shares are in physical / dematerialized form, as the case may be, in all correspondence with the Company / Registrar and Share Transfer Agent.
22. Details of Directors retiring by rotation / seeking appointment / re-appointment at this Meeting are provided in the "Annexure" to the Notice as per Regulation 36(3) of SEBI (LODR), 2015 and Secretarial Standard on General Meetings ("SS-2") issued by Institute of Company Secretaries of India
23. As the AGM is to be held through VC/ OAVM, Members seeking any information with regard to the accounts or any documents, are requested to write to the Company at least 10 days before the date of AGM through email on scarnose13@gmail.com. The same will be replied / made available by the Company suitably.
24. The business set out in the Notice of AGM will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice.
25. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
26. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
27. The Members can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Instructions and other information for members for attending the AGM through VC/OAVM are given in this Notice.
28. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
29. The Company has set 18th July, 2024 as the "Cut-off Date" for taking record of the shareholders of the Company who will be eligible for casting their vote on the resolution to be passed in the ensuing 13th Annual General Meeting, for both E-Voting

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Monday, 22nd July, 2024 at 9:00 A.M. and ends on Wednesday, 24th July, 2024 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Thursday, 18th July, 2024 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, 18th July, 2024.

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

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below: **Step 1: Access to NSDL e-Voting system**

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 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: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once 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 options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting 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.nsdl.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. 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 held 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 options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your

	vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once 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 options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL 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. NSDL and CDSL.

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

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

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

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

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

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**”(If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

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

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

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

General Guidelines for shareholders

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

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (Self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to scarnose13@gmail.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (Self attested scanned copy of PAN card), AADHAR (Self attested scanned copy of Aadhar Card) to (scarnose13@gmail.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual**

- meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
 4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (scarnose13@gmail.com). The same will be replied by the company suitably.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No. 4:

The Board of Directors of the Company at its meeting held on 28th May, 2024 approved the appointment of Ms Shraddha Dev Pandya as the Managing Director of the Company with effect from 28th May, 2024 in accordance with the provisions contained in Section 196 and 197 read with Section 203 of the Companies Act, 2013.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The main terms and conditions of her appointment and remuneration of Managing Director are as under:

I. Remuneration:

A. Salary:

The Managing Director shall be entitled to salary up to Rs. 1,00,000/- per month. The Managing Director shall be entitled to reimbursement of expenses incurred by her in connection with the business of the Company.

As per the provisions of Sections 196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013, appointment of Managing Director shall require approval of the members in Annual General Meeting.

Save and except, Ms Shraddha Dev Pandya and their relatives to the extent their shareholding in the Company, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item No.4.

Item No. 5:

Pursuant to provisions of Section 161 of the Companies Act, 2013 and pursuant to the Articles of Association of the Company, the Board of Directors of the Company has appointed Ms. Drashtiben Prafulbhai Dedaniya as an Additional Director with effect from 26th March,2024. Ms. Drashtiben Prafulbhai Dedaniya is appointed as an Independent Director on the Board of the Company.

The Company has received a declaration from Ms. Drashtiben Prafulbhai Dedaniya that she meets with criteria of independence as prescribed under Section 149 of the Companies Act, 2013. Ms. Drashtiben Prafulbhai Dedaniya possesses appropriate skills, experience and knowledge in the field of Law. Brief resume of Ms. Drashtiben Prafulbhai Dedaniya, nature of her expertise in specific functional areas and names of the Companies in which she holds directorships and memberships / chairperson of the Board / Committees and shareholding are provided in the annexure to the explanatory statement attached herewith.

In the opinion of the Board, Ms. Drashtiben Prafulbhai Dedaniya fulfills the conditions specified in the Act and rules made thereunder for her appointment as an Independent Director of the Company.

Keeping in view of his experience and knowledge, the Board considers that her association would be of immense benefit to the Company and it is desirable to continue to avail the services of Ms. Drashtiben Prafulbhai Dedaniya as an Independent Director.

Save and except Ms. Drashtiben Prafulbhai Dedaniya and her relatives to the extent their shareholding in the Company, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5.

Item No. 6:

The Board of Directors pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company had appointed Ms. Maharshi Jigar Pandya as an Additional Director with effect from 28th May, 2024. Ms. Maharshi Jigar Pandya is a Non-Executive Director on the Board of the Company.

Ms. Maharshi Jigar Pandya possesses appropriate skills, experience and knowledge in the field of Excellent reputation for resolving problems and improving customer satisfaction. Detail oriented extensive knowledge of Area of expertise and Product or service marketing. Brief resume of Ms. Maharshi Jigar Pandya nature of her expertise in specific functional areas and names of the Companies in which she holds directorships and memberships / chairperson of the Board / Committees and shareholding are provided in the Annexure to the explanatory statement attached herewith.

In the opinion of the Board, Ms. Maharshi Jigar Pandya fulfils the conditions specified in the Act and rules made thereunder for her appointment as a Non-Executive Director of the Company.

Keeping in view of her experience and knowledge, the Board considers that her association would be of immense benefit to the Company and it is desirable to continue to avail the services of Ms. Maharshi Jigar Pandya as a Non-Executive Director.

Save and except Ms. Maharshi Jigar Pandya and her relatives to the extent their shareholding in the Company, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6.

Item No. 7:

As per provision of section 12 of the Companies Act, 2013 read with The Companies (Incorporation) Rules, 2014 relating to be procedure to be followed for, shifting of registered office of Company outside the local limits of any city or town requires approval of the members by Special Resolution.

The Registered office of the Company is presently situated in 503, Sun Square, Off C. G. Road, Nr Hotel Nest, Navrangpura, Ahmedabad, Gujarat, 380006. Now the Board of Directors of the company at its meeting held on 28th May, 2024 decided that the registered office of the Company is to be shifted to Surbhi Complex, Shop No. 202, 2nd Floor, Opp. Jaynath Petrol Pump, Gondal Road, Rajkot-360002 Gujarat, India, a place outside the local limits of the town where the company's registered office is presently situated but which is situated within the same State, with a view to improve operational efficiency and change in management , the Board of Directors Considered and subject to approval of members, approved the proposal of shifting registered office to Surbhi Complex, Shop No. 202, 2nd Floor, Opp. Jaynath Petrol Pump, Gondal Road, Rajkot-360002 Gujarat, India. The Board recommends the proposed special resolution to the members of the Company for their consideration and approval.

Annexure A

Relevant details as stipulated under Regulation 36(3) of SEBI (LODR), 2015 and Secretarial Standard on General Meetings (“SS-2”) issued by Institute of Company Secretaries of India, in respect of directors seeking appointment / reappointment as director under Resolution No. 4, 5 and 6 are as under:

Name of the Director	Shraddha Dev Pandya	Drashtiben Prafulbhai Dedaniya	Maharshi Jigar Pandya
Date of Birth	13/02/1994	25/09/1999	27/10/1997
Date of first Appointment on the Board	28/05/2024	26/03/2024	28/05/2024
Qualifications	B. Tech appointment) (Electronics and Communication)	Post Graduate degree in Commerce	BHMS
Experience/Brief Resume/ Nature of expertise in specific functional areas	She has an experience of more than 2 years in Handling administration and management.	She has 2 Years of experience in field of Company Law and Administrative	She has more than 2 years' experience of Production executive and related matters.
Terms and Conditions of Appointment along with remuneration sought to be paid	Upto Rs. 1.00 Lakhs per month	N.A	N.A
Remuneration last drawn by such person, if any	N.A	N.A	N.A
No. of Shares held in the Company as on 31 st March,2024	Nil	Nil	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company/ Disclosure of relationships between directors inter-se	N.A	N.A	N.A
Number of Meetings of the Board attended during the year	N.A	N.A	N.A
Directorship / Designated Partner in other Companies / LLPs	1. Add-Shop E-Retail Limited 2. Dada Organics Limited	1.Trom Industries Limited 2.Finelistings Technologies Limited	1. Add-Shop E-Retail Limited 2. Dada Organics Limited

<p>Chairman/Member of the Committees of Board of other Companies/ Names of listed entities in which the person also holds the directorship and the membership of the Committees of the board</p>	<p>NIL</p>	<p>Member of Nomination and Remuneration Committee</p> <p>1.Trom Industries Limited 2.Finelistings Technologies Limited</p> <p>Member of Audit Committee in Finelistings Technologies Limited</p>	
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DIRECTOR'S REPORT

DEAR MEMBERS,

Your director's are pleased to present the 13th Annual Report of the Company covering the operating and financial performance together with the Audited Standalone Financial Statements and the Auditors' Report thereon for the Financial Year ended on March 31, 2024.

FINANCIAL RESULTS AND OPERATIONS REVIEW:

The financial highlights of the Company during the period ended March 31, 2024 are as below:

Particulars	(₹ in Lakhs)	
	Financial Year 2023-24	Financial Year 2022-23
Revenue from operations (Net)	1386.34	4,106.93
Other income	28.04	18.08
Total Revenue	1414.38	4,125.01
Profit/loss before depreciation, Finance, Costs, Exceptional items and Tax Expense	2.44	10.4
Less: Depreciation expense	0.97	2.97
Profit/loss before Finance, Costs, Exceptional items and Tax Expense	1.47	7.43
Less: Finance costs	0.03	1.73
Profit/Loss before Exceptional Items, Extraordinary Items and Tax Expense	1.44	5.70
Less: Exceptional Items	0	0
Profit/Loss before Extraordinary Items	1.44	5.70
Less: Extraordinary Items	0	0
Profit/ (Loss) before tax	1.44	5.70
Less: Tax expense:		
(a) Current tax expense	0.50	2.22
(b) Deferred tax	0.01	(0.86)
Profit / (Loss) for the year	0.93	4.34

During the year under review on the basis of Financial Statement the Company's revenue from operations during the financial year ended 31st March, 2024 were 1386.34 ₹/- (in Lakhs) as against ₹4,106.93/- (in Lakhs) of the previous year representing decrease of approximately about 66.24 % over the corresponding period of the current year with total expenses of 1412.94 ₹/- (in Lakhs) as against (previous year of ₹4,119.32/- (in Lakhs)). The company has made profit before Exceptional Items, Extraordinary Items and Tax Expense of ₹ 1.44 /- (in Lakhs) as against profit of ₹5.70/- (in Lakhs) in the previous year. The Company has made Net Profit of ₹0.93/- (in Lakhs) as against ₹4.34/- (in Lakhs) of the previous year representing decrease of approximately about 78.57% over the corresponding period of the previous year.

The EPS of the Company for the year 2023-24 is 0.03.

DIVIDEND

The Board of Directors of your company, after considering holistically the relevant circumstances and keeping in view the company's dividend distribution policy, has decided it would be prudent, not to recommend any Dividend for the year ended on 31st March, 2024 and the entire surplus be ploughed back to the business to meet the needs for additional finance for capital expenditure.

TRANSFER TO RESERVES

During the year under review, Company has not transferred any amount to reserves.

SHARE CAPITAL

During the year under review the Company has not made changes in the share capital as on 31st March, 2024. The details of the same are mentioned below:

Authorised Share Capital:

The present Authorized Capital of the Company is ₹3,50,00,000 /- divided into 35,00,000 Equity Shares of ₹10/- each. During the year under review the Company has not made any changes in the share capital of the company i.e. as on 31st March, 2024.

Paid Up Share Capital:

The present paid-up capital of the Company is ₹3,15,01,500/- divided into 31,50,150 Equity Shares of ₹ 10/- each. During the year under review the Company has not made any changes in the share capital of the company i.e. as on 31st March, 2024.

Alteration of Memorandum of Association:

During the year under review the Company has not made any changes in the Memorandum of Association of the company.

Alteration of Articles of Association:

During the year under review the Company has not made any changes in the Articles of Association of the company.

STATE OF COMPANY AFFAIRS

During the year under review, company made Total Income of ₹ 1414.38/-(in Lakhs) as against ₹4125.01/-(in Lakhs) in the previous year. The company has made Profit before depreciation, Finance, Costs, Exceptional items and Tax Expense of ₹2.44 /-(in Lakhs) as against profit of ₹5.70/-(in Lakhs) in the previous year in the financial statement.

The Company made net profit of ₹ 0.93/- (in Lakhs) as against ₹4.34/- (in Lakhs) in the previous year in the financial statement.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the business of the Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

On November 10, 2023, the Company promoters Mr. Vimalkumar Mishrilal Shah and Mr. Hitesh Surendrakumar Loonia has entered into Share Purchase Agreement with Ms. Devi Dineshbhai Pandya, Mr. Dev Dineshbhai Pandya and Mr. Jigar Dineshkumar Pandya (collectively known as Acquirers) for sell/transfer their entire stake in the Company 19,50,000 Equity Shares fully paid-up equity shares of face-value of Rs.10/- each constituting 61.90% of the Equity Share Capital of the Company.

Consequently, an open offer in terms of Regulation 3(1) and Regulation 4 of SEBI (SAST) Regulations, 2011 was made by the Acquirers to acquire upto 26% of the total voting shares of the Company from public shareholders in terms of Letter of offer dated February 06,2024.

Open Offer for the acquisition of 8,20,000 (Eight Lakhs Twenty Thousand) Fully Paid-Up Equity Shares of the face value of Rs. 10/- each, representing 26.03% of the total Equity and voting Share Capital of the Scarnose International Limited (*SIL') by Ms. Devi Dineshbhai Pandya ("Acquirer No. 1"), Mr. Dev Dineshbhai Pandya (Acquirer No. 2), and Mr. Jigar Dineshkumar Pandya (Acquirer No. 3) pursuant to and in compliance with Regulation 3 & 4 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations,2011.

LISTING WITH STOCK EXCHANGE

The Company has paid requisite annual listing fees to BSE Limited (BSE) where its securities are listed.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the Section 124 applicable provisions of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all the unpaid or unclaimed dividends are required to be transferred to the IEPF established by the Central Government, upon completion of seven (7) years.

Further, according to the Investor Education & Protection Fund ("IEPF") Rules, the shares in respect of which dividend has not been paid or claimed by the Shareholders for seven (7) consecutive years or more shall also be transferred to the demat account created by the IEPF Authority.

Your Company does not have any unpaid or unclaimed dividend or shares relating thereto which is required to be transferred to the IEPF as on the date of this Report.

DEPOSITS

During the year under review, the Company has neither invited nor accepted any deposits from the public under Section 76 and Chapter V of the Companies Act, 2013 and rules made thereunder.

SUBSIDIARY, JOINT VENTURE (JV) AND ASSOCIATES COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company in terms of Companies Act, 2013.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNELS

Appointment/ Re-Appointment

During the year under review following Directors were appointed as follows:

DIN	Name	Designation	Change
07905073	Mr. Dev Dineshbhai Pandya	Director- Executive	Appointment w.e.f 26 th March, 2024

10219807	Ms. Drashtiben Prafulbhai Dedaniya	Independent Director	Appointment w.e.f 26 th March, 2024
07905076	Mr. Jigar Dineshkumar Pandya	Director - Non-executive	Appointment w.e.f 26 th March, 2024

Cessation

During the year under review following Directors were resigned which are mentioned below:

DIN	Name	Designation	Change
09344746	Mr.Hemal Patel	Independent Director	Resignation w.e.f 29 th March, 2024
09356713	Ms.Dakshita Dadhich	Director – Non –Executive	Resignation w.e.f 29 th March, 2024

Retire by Rotation

As per the provisions of Section 152 of the Companies Act, 2013, Ms. Maharshi Jigar Pandya (DIN: 09621936) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

Your Directors recommended her re-appointment on recommendation made by the Nomination and Remuneration Committee.

Independent Directors

Ms. Drashtiben Prafulbhai Dedaniya (DIN: 10219807) holds office as a Non-Executive Independent Director of the Company with effect from 26th March, 2024 for the period of 5 years who is not liable for retire by rotation.

Mr. Kunjal Jayantkumar Soni (DIN: 08160838) holds office as a Non-Executive Independent Director of the Company with effect from 06th May,2021 for the period of 5 years who is not liable for retire by rotation.

APPOINTMENT AND RESIGNATION OF KEY MANAGERIAL PERSONNEL

During the year under review Ms. Ankit Vivekumar Shah was resigned as Company Secretary and Compliance Officer w.e.f 12th January, 2024 and Ms. Sanjana Parmar was resigned as CFO w.e.f 29th March,2024.

The Key Managerial Perssonel as on 31st March,2024:

Name	Designation
Mr. Vimalkumar Mishrilal Shah	Managing Director

Further Ms. Heli Jitendrabhai Modi has been appointed as Company secretary as well as Compliance officer with effect from 01st May 2024.

DECLARATIONS OF INDEPENDENT DIRECTORS

The Company has received declarations pursuant to Section 149(7) of the Companies Act, 2013 from each of its Non-Executive and Independent Directors to the effect that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013, Regulation 16(1)(b) and Regulation 25 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”). These declarations have been placed before and noted by the Board.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors to the best of its knowledge and ability, confirm that:

- (a) In the preparation of the annual accounts for the financial year ended on March 31, 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) They 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 at the end of the financial year March 31, 2024 and of the **profit** of the Company for that period;
- (c) They 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;
- (d) They have prepared the annual accounts on a going concern basis;
- (e) They have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMPOSITION OF BOARD AND VARIOUS COMMITTEES AND THEIR MEETINGS

The Board of Directors along with its Committees provide leadership and guidance to the Management and directs and supervises the performance of the Company, thereby enhancing stakeholder value.

BOARD OF DIRECTORS:

The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected. The Board of Scarnose International Limited comprises of Executive (Whole-Time) and Non-Executive Directors. Independent Directors are eminent persons with proven record in diverse areas like business, accounting, marketing, technology, finance, economics, administration, etc. The composition of Board of Directors represents optimal mix of professionalism, qualification, knowledge, skill sets, track record, integrity, expertise and diversity. The Board of Directors as on March 31, 2024, comprised of 5 Directors, out of which 1 was Executive Director ("ED") (MD & Chairman), and 1 were Executive Director ("ED") and 1 were Non-Executive Directors ("NEDs") and 2 Independent Directors ("IDs"). Detailed profile of our Directors is available on our website at www.scarnose.com.

Composition of Board:

Sr. No.	Name of Director	Category	Designation
1.	Mr. Vimalkumar Mishrilal Shah	Executive Director	Managing Director & Chairman
2.	Mr. Kunjal Jayant Kumar Soni	Non-Executive Director	Independent Director
3.	Ms. Dakshita Dadhich	Non-Executive Director	Director
5.	Mr. Hemal Patel	Non-Executive Director	Independent Director
6.	Mr. Dev Dineshbhai Pandya	Executive Director	Director

7	Ms. Drashtiben Prafulbhai Dedaniya	Non-Executive Director	Independent Director
8	Mr. Jigar Dineshkumar Pandya	Non-executive Director	Independent Director

*Mr. Dev Dineshbhai Pandya (Additional Executive Director), Ms. Drashtiben Prafulbhai Dedaniya (Additional Independent Non-Executive Director) and Mr. Jigar Dineshkumar Pandya (Additional Non-Executive Director) appointed by Board of Directors on 26th March, 2024.

Mr. Hemal Patel (Independent Non-Executive Director) and Ms. Dakshita Dadhich (Non-Executive Director) has resigned from the Board w.e.f. 29th March, 2024.

Board Meetings:

The Board of Directors duly met 8times at regular intervals during the mentioned financial year and in respect of which proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The intervening gap between the two meetings was within the period prescribed under the Companies Act, 2013 and Listing Regulations. The dates on which meetings were held are as follows:

<i>Date of Meeting</i>	<i>Name of the Directors</i>			
	<i>Vimalkumar Shah</i>	<i>Kunjal Soni</i>	<i>Hemal Patel</i>	<i>Dakshita Dadich</i>
28/04/2023	Yes	Yes	Yes	Yes
29/05/2023	Yes	Yes	Yes	Yes
18/08/2023	Yes	Yes	Yes	Yes
18/09/2023	Yes	Yes	Yes	Yes
08/11/2023	Yes	Yes	Yes	Yes
12/01/2024	Yes	Yes	Yes	Yes
07/02/2024	Yes	Yes	Yes	Yes
26/03/2024	Yes	Yes	Yes	Yes
No of Board Meeting attended	8/8	8/8	8/8	8/8

Independent Directors Meetings:

In terms of the provisions of the Schedule IV of the Companies Act, 2013 and Regulation 25 (3) of the Listing Regulations, the Independent Directors of the Company shall meet at least once in a year, without the presence of Executive Directors and members of Management. During the financial year, the Meetings of Independent Directors was held in following manner:

<i>Date of the Meeting</i>	<i>Name of the Director</i>	
04/03/2024	Mr. Kunjal Soni	Mr. Hemal Patel
Number of Independent Directors attended during the year	01/01	01/01

AUDIT COMMITTEE:

The Audit Committee has been constituted by the Board in compliance with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The board of directors has entrusted the Audit Committee with the responsibility to supervise these processes and ensure accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting.

The Company Secretary acts as the Secretary to the Committee. The internal auditor reports functionally to the Audit Committee. The Chief Financial Officer of the Company also attends the meetings as invitee.

<i>Sr. No.</i>	<i>Name of Director</i>	<i>Designation</i>	<i>Nature of Directorship</i>
1.	Mr. Kunjal Jayantkumar Soni	Chairman	Non-Executive Independent Director
2.	Mr.Hemal Patel	Member	Non-Executive Independent Director
3.	Mr. Shah Vimalkumar Mishrilal	Member	Managing Director

However the Audit Committee was reconstituted with effective from 02nd April, 2024 which are mentioned below:

Changed Composition of Audit Committee:

<i>Sr. No.</i>	<i>Name of Director</i>	<i>Designation</i>	<i>Nature of Directorship</i>
1.	Mr. Kunjal JayantkumarSoni	Chairman	Non-Executive Independent Director
2.	Ms. Drashtiben Prafulbhai Dedaniya	Member	Non-Executive Independent Director
3.	Mr. Jigar Dineshkumar Pandya	Member	Non-Executive Independent Director

Audit Committee Meeting:

In terms of the provisions of the Regulation 18(2)(a) of the Listing Regulations, the Audit Committee of the Company shall meet at least four times in a year and in respect of which proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. During the financial year, the Meetings of Audit committee was held in following manner:

<i>Date of Meeting</i>	<i>Name of Director</i>		
	<i>Mr. Kunjal Jayantkumar Soni</i>	<i>Mr. Hemal Patel</i>	<i>Mr. Vimalkumar Shah</i>
29/05/2023	Yes	Yes	Yes
18/08/2023	Yes	Yes	Yes
08/11/2023	Yes	Yes	Yes
07/02/2024	Yes	Yes	Yes
Number of Audit Committee Meetings attended during the year	04/04	04/04	04/04

Financial Reporting and Related Processes:

- ❖ Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.
- ❖ Reviewing with the Management, Audited Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgment by the Management, significant adjustments made in the Financial Statements and / or recommendation, if any, made by the Statutory Auditors in this regard.
- ❖ Review the Management Discussion & Analysis of financial and operational performance.
- ❖ Discuss with the Statutory Auditors its judgment about the quality and appropriateness of the Company's accounting principles with reference to the Accounting Standard (AS).

All the Members of the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee (NRC) consist majority of Independent Directors. The Nomination and Remuneration Committee has been constituted by the Board in compliance with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. The board of directors has entrusted the Nomination and Remuneration Committee with the responsibility to formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel.

<i>Sr. No.</i>	<i>Name of Director</i>	<i>Designation</i>	<i>Nature of Directorship</i>
1.	Mr. Hemal Patel	Chairman	Non-Executive Independent Director
2.	Mr. Kunjal Jayantkumar Soni	Member	Non-Executive Independent Director
3.	Ms. Dakshita Dadhich	Member	Non-Executive Director

However the Nomination and Remuneration Committee was reconstituted with effective from 02nd April, 2024 which are mentioned below:

Changed Composition of Nomination and Remuneration Committee:

<i>Sr. No.</i>	<i>Name of Director</i>	<i>Designation</i>	<i>Nature of Directorship</i>
1.	Ms. Drashtiben Dedaniya	Chairman	Non-Executive Independent Director
2.	Mr. Kunjal Jayantkumar Soni	Member	Non-Executive Independent Director
3.	Mr. Jigar Dineshkumar Pandya	Member	Non-Executive Director

Nomination and Remuneration Committee Meeting:

In terms of the provisions of the Regulation 19 (3A) of the Listing Regulations, the Nomination and Remuneration Committee of the Company shall meet at least once in a year and in respect of which proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. During the financial year, the Meetings of Nomination and Remuneration Committee was held in following manner:

<i>Date of Meeting</i>	<i>Name of Director</i>		
	<i>Mr. Kunjal Jayantkumar Soni</i>	<i>Ms. Hemal Patel</i>	<i>Ms. Dakshita Dadhich</i>
12/01/2024	Yes	Yes	Yes
26/03/2024	Yes	Yes	Yes
Number of NRC Meetings attended during the year	02/02	02/02	02/02

The terms of reference of the Committee inter alia, include the following:

- ❖ Succession planning of the Board of Directors and Senior Management Employees;
- ❖ Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- ❖ Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- ❖ Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration;

- ❖ Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board.

STAKEHOLDER'S RELATIONSHIP COMMITTEE:

The Stakeholders' Relationship Committee ("SRC") considers and resolves the grievances of our shareholders, including complaints relating to non-receipt of annual report, transfer and transmission of securities, non-receipt of dividends/interests and such other grievances as may be raised by the security holders from time to time.

<i>Sr. No.</i>	<i>Name of Director</i>	<i>Designation</i>	<i>Nature of Directorship</i>
1.	Mr. Hemal Patel	Chairman	Non-Executive Independent Director
2.	Mr. Kunjal Jayantkumar Soni	Member	Non-Executive Independent Director
3.	Ms. Dakshita Dadhich	Member	Non-Executive Director

However the Stakeholders' Relationship Committee was reconstituted with effective from 02nd April, 2024 which are mentioned below:

Changed Composition of Stakeholders' Relationship Committee:

<i>Sr. No.</i>	<i>Name of Director</i>	<i>Designation</i>	<i>Nature of Directorship</i>
1.	Ms. Drashtiben Dedaniya	Chairman	Non-Executive Independent Director
2.	Mr. Kunjal Jayantkumar Soni	Member	Non-Executive Independent Director
3.	Mr. Jigar Dineshkumar Pandya	Member	Non-Executive Director

Stakeholders' Relationship Committee Meeting:

In terms of the provisions of the Regulation 20 (3A) of the Listing Regulations, the Stakeholders' Relationship Committee of the Company shall meet at least once in a year and in respect of which proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. During the financial year, the Meetings of Stakeholders' Relationship Committee was held in following manner:

<i>Date of Meeting</i>	<i>Name of Director</i>		
	<i>Mr. Kunjal Jayantkumar Soni</i>	<i>Ms. Hemal Patel</i>	<i>Ms. Dakshita Dadhich</i>
06/04/2023	Yes	Yes	Yes
05/07/2023	Yes	Yes	Yes
13/10/2023	Yes	Yes	Yes
24/01/2024	Yes	Yes	Yes
Number of SRC Meetings attended during the year	04/04	04/04	04/04

The terms of reference of the Committee are:

- ❖ Transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- ❖ Issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- ❖ Issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- ❖ To approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- ❖ To authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- ❖ Monitoring expeditious redressal of investors / stakeholders grievances;
- ❖ All other matters incidental or related to shares, debenture.

During the year, the Company has given disclosure for Investor Complaints of last two quarters on Stock Exchange and no complaints were received from shareholders. There are no balance complaints. The Company had no share transfers pending as on March 31, 2024.

Heli Jitendrabhai Modi, Company Secretary of the Company is the Compliance Officer.

DETAILS OF FRAUD REPORTING BY AUDITOR

During the year under review, there were no frauds reported by the auditors to the Board under section 143(12) of the Companies Act, 2013.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company has formed Nomination and Remuneration Committee in terms of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations which has framed Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees which sets out criteria for the remuneration of Directors, Key Managerial Personnel ('KMP') and other employees so as to attract, retain and reward talent who will contribute to our long-term success and thereby build value for the shareholders. The Committee reviews and recommend to the Board of Directors about remuneration for Directors and Key Managerial Personnel and other employee up to one level below of Key Managerial Personnel. The Company does not pay any remuneration to the Non-Executive Directors of the Company other than sitting fee for attending the Meetings of the Board of Directors and Committees of the Board. Remuneration to Executive Directors is governed under the relevant provisions of the Act and approvals.

The Company has devised the Nomination and Remuneration Policy for the appointment, re-appointment and remuneration of Directors, Key Managerial. The Nomination and Remuneration Policy is also available on the website of the Company www.scarnose.com /in the head of Policies.

For Board of Directors and Senior Management Group, the Board of Directors of the Company has laid down a code of conduct for all the Board Members and Senior Management Group of the Company. The main object of the Code is to set a benchmark for the Company's commitment to values and ethical business conduct and practices. Its purpose is to conduct the business of the Company in accordance with its value systems, fair and ethical practices, applicable laws, rules and regulations. Further, the Code provides for the highest standard of professional integrity while discharging the duties and to promote and demonstrate professionalism in the Company.

All the Board Members and Senior Management Group of the Company have affirmed compliance with the code of conduct for the financial year ended on March 31, 2024 as required by Regulation 26(3) of the Listing Regulations. A declaration signed by the Chairman & Managing Director to this effect is attached as a part of this Annual Report. The code of conduct is also available on the website of the Company www.scarnose.com.

FOR PREVENTION OF INSIDER TRADING

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 came into effect from May 15, 2015 to put in place a framework for prohibition of insider trading in securities and to strengthen the legal framework thereof. Pursuant to Regulation 8 of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated and adopted

- ❖ Code of Practices for Prevention of Insider Trading and
- ❖ Procedures for Fair Disclosure of Unpublished Price Sensitive Information (“Code of Fair Disclosure”) of the Company.

The Code of Practices for Prevention of Insider Trading and Procedures for Fair Disclosure of Unpublished Price Sensitive Information is available on the website of the Company www.scarnose.com

Further, pursuant to Regulation 9 of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated and adopted the Code of Conduct for Prevention of Insider Trading. The Code lays down guidelines and procedures to be followed and disclosures to be made while dealing with the shares of the Company and cautioning them on the consequence of non-compliances. The Company Secretary has been appointed as a Compliance Officer and is responsible for monitoring adherence to the Code. The code of conduct to regulate, monitor and report trading by insiders is also available on the website of the Company www.scarnose.com

VIGIL MECHANISM

The Company has established a Vigil Mechanism/ Whistle-blower policy in accordance with the provisions of the Companies Act, 2013 and the Listing Regulations. The Company is committed to principles of professional integrity and ethical behavior in the conduct of its affairs. The Whistle-blower Policy provides for adequate safeguards against victimization of director(s) / employee(s) who avail of the mechanism and also provides for direct access to the Chairperson of the Audit Committee to report actual or suspected unethical behavior, fraud or violation of the Company’s Code of Conduct/ ethics/ principles and matters specified in the Policy.

The Company affirms that in compliance with the Whistle-Blower Policy/ Vigil Mechanism no personnel has been denied access to the Audit Committee. The Compliance officer and Audit Committee is mandated to receive the complaints under this policy. The Board on a yearly basis is presented an update on the whistleblower policy. Whistle Blower policy is available on the website of the Company at www.scarnose.com The Policy ensures complete protection to the whistle-blower and follows a zero tolerance approach to retaliation or unfair treatment against the whistle-blower and all others who report any concern under this Policy.

During the year under review, the Company did not receive any complaint of any fraud, misfeasance etc. The Company’s WhistleBlower Policy (Vigil Mechanism) has also been amended to make employees aware of the existence of policies and procedures for inquiry in case of leakage of Unpublished Price Sensitive Information to enable them to report on leakages, if any of such information.

BOARD EVALUATION

Pursuant to applicable provisions of the Companies Act, 2013 and the Listing Regulations, the Board, in consultation with its Nomination and Remuneration Committee, has formulated a framework containing, inter alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and individual directors,

including Independent Directors. The Board evaluated the effectiveness of its functioning, that of the Committees and of individual Directors.

The Board sought the feedback of Directors on various parameters including:

- ❖ Degree of fulfillment of key responsibilities towards stakeholders (by way of monitoring corporate governance practices, participation in the long-term strategic planning, etc.);
- ❖ Structure, composition, and role clarity of the Board and Committees;
- ❖ Extent of co-ordination and cohesiveness between the Board and its Committees;
- ❖ Effectiveness of the deliberations and process management;
- ❖ Board/Committee culture and dynamics; and
- ❖ Quality of relationship between Board Members and the Management.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

The Nomination and Remuneration Committee reviewed the performance of the individual directors and the Board as a whole.

In the Board meeting that followed the meeting of the independent directors and the meeting of Nomination and Remuneration Committee, the performance of the Board, its committees, and individual directors was discussed.

The evaluation process endorsed the Board Members' confidence in the ethical standards of the Company, the resilience of the Board and the Management in navigating the Company during challenging times, cohesiveness amongst the Board Members, constructive relationship between the Board and the Management, and the openness of the Management in sharing strategic information to enable Board Members to discharge their responsibilities and fiduciary duties.

The Board carried out an annual performance evaluation of its own performance and that of its committees and individual directors as per the formal mechanism for such evaluation adopted by the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee.

The performance evaluation of the Chairman, the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The exercise of performance evaluation was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of the Directors individually as well as evaluation of the working of the Board by way of individual feedback from directors.

The evaluation frameworks were the following key areas:

1. For Non-Executive & Independent Directors:

- ❖ Knowledge
- ❖ Professional Conduct
- ❖ Comply Secretarial Standard issued by ICSI Duties,
- ❖ Role and functions

2. For Executive Directors:

- ❖ Performance as leader
- ❖ Evaluating Business Opportunity and analysis of Risk Reward Scenarios
- ❖ Key set investment goal

- ❖ Professional conduct and integrity
- ❖ Sharing of information with Board.
- ❖ Adherence applicable government law

RISK MANAGEMENT POLICY

The Company is aware of the risks associated with the business. It regularly analyses and takes corrective actions for managing/mitigating the same.

The Company has framed a formal Risk Management Policy for risk assessment and risk minimization which is periodically reviewed to ensure smooth operation and effective management control which is also available on our website www.scarnose.com. The Audit Committee also reviews the adequacy of the risk management framework of the Company, the key risks associated with the business and measure and steps in place to minimize the same.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Your Company provides equal opportunities and is committed to creating a healthy working environment that enables our Minds to work with equality and without fear of discrimination, prejudice, gender bias or any form of harassment at work place. Your Company has in place Prevention of Sexual Harassment (POSH) policy in accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 which is also available on our website www.scarnose.com

AUDITORS

STATUTORY AUDITORS:

In the 12th Annual General Meeting (AGM) held on 18th September, 2023 M/s. S V J K& Associates, Chartered Accountants (Firm Registration Number 135182W), were appointed as statutory auditors of the Company to hold office for a term of 5 (five) consecutive years until the conclusion of the Annual General Meeting of the Company to be held in the year 2028. M/s S V J K& Associates, Chartered Accountants (Firm Registration Number 135182W), has resigned as Statutory Auditors of the Company with effect from 22nd May, 2024, due to recent changes in the Management.

The Auditors' Report for the financial year ended on March 31, 2024 have been provided in "Financial Statements" forming part of this Annual Report.

The report of the Statutory Auditor does not contain any qualification, reservation, adverse remark or disclaimer. The observations made in the Auditor's Report are self-explanatory and therefore do not call for any further comments.

SECRETARIAL AUDITOR

Pursuant to Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed M/s. Prachi Bansal and Associates, Practicing Company Secretaries as Secretarial Auditor of the Company for the financial year ended on March 31, 2024. The **Secretarial Audit Report in Form MR-3** for the financial year ended on March 31, 2024 is attached as **Annexure –II** to the Directors' Report and forming part of this Annual Report.

The report of the Secretarial auditor have not made any adverse remark in their Audit Report except:

- a) The Company has not complied with requirement of SDD as per Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

Reply: We acknowledge the concern regarding the Company's non-compliance with the requirement SDD as per Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and but we are maintain internal System segregate UPSI data from other data along with the Password Requirement.

- b) The Company has not appointed Company Secretary as per the requirement under Regulation 6(1A) of SEBI (LODR) Regulations after the resignation of company secretary from 12th January, 2024.

Reply: The Company has appointed Company Secretary Ms.Heli Jitendrabhai Modi on 01st May,2024 and has complied the same.

- c) The Company has given the disclosure under Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018 for the quarter ended on 30th September, 2023 to the stock exchange beyond 30 days from the end of the Quarter.

Reply: We regret the delay in submitting the disclosure under Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018, for the quarter ended 30th September, 2023 but we have submitted the required disclosure to the stock exchange to upload the transparency and accountability.

- d) The Company has given the disclosure under Regulation 74(5) of the SEBI (Depositories and Participants) Regulations, 2018 for the quarter ended on 30th September, 2023 to the stock exchange beyond 15 days from the end of the Quarter.

Reply: We regret the delay in submitting the disclosure under Regulation 74(5) of the SEBI (Depositories and Participants) Regulations, 2018, for the quarter ended 30th September, 2023 but we have submitted the required disclosure to the stock exchange to uphold the transparency and accountability.

- e) The Company has given the disclosure under Regulation 3(5) and 3(6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 for the quarter ended on 30th September, 2023 to the stock exchange beyond 21 days from the end of the Quarter.

Reply: We regret the delay in submitting the disclosure under Regulation 3(5) and 3(6) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, for the quarter ended 30th September, 2023 but we have submitted the required disclosure to the stock exchange to uphold the transparency and accountability.

- f) The Company has not make disclosure of under Regulation 3(5) and 3(6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 for the quarter ended on 31st December, 2023.

Reply: We regret the delay in submitting the disclosure under Regulation 3(5) and 3(6) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, for the quarter ended 31st December, 2023 but we have submitted the required disclosure to the stock exchange to uphold the transparency and accountability.

- g) The Company has not filed XML of Prior Intimation of the notice of the Board Meeting held on 08th November, 2023 to the stock exchange.

Reply: We regret that the XML file of Prior Intimation for the notice of the Board Meeting held on 8th November, 2023, was not filed with the stock exchange as required and but we will assure that XML file will be submitted and make sure that it will not happen in future.

- h) The Company has not filed XML of Annual Report of the AGM held on 18th September, 2023 to the stock exchange.

Reply: We regret that the XML file of Annual Report of the AGM held on 18th September, 2023 was not filed with the stock exchange as required but we will assure that XML file will be submitted and make sure that it will not happen in future.

DIRECTORS' RESPONSE ON AUDITORS' QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMER MADE

There is a no qualification or Disclaimer of Opinion in the Auditor's Report on the Financial Statements to the shareholders of the Company made by the Statutory Auditors in their Auditors.

SECRETARIAL STANDARDS

The Company has devised proper systems to ensure compliance with Secretarial standards and its provisions and is in compliance with the same.

ANNUAL RETURN

In accordance with Sections 134(3)(a) & 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, The annual return in Form No.MGT-7 for the financial year 2023-24 will be available on the website of the Company (www.scarnose.com). The due date for filing annual return for the financial year 2023-24 is within a period of sixty days from the date of annual general meeting. Accordingly, the Company shall file the same with the Ministry of Corporate Affairs within prescribed time and a copy of the same shall be made available on the website of the Company (www.scarnose.com) as is required in terms of Section 92(3) of the Companies Act, 2013.

CORPORATE GOVERNANCE REPORT

As per the Regulation 15 (Listing Obligations and Disclosure Requirements) Regulations, 2015 applicability of Corporate Governance shall not be mandatory for companies having listed on SME Platform. Since our company has registered on SME platform the requirement of the Corporate Governance has not applicable to us.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report as required under Regulation 34(2)(e) read with Schedule V Part B of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015") is annexed herewith as **Annexure I**.

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENT UNDER SECTION 186 OF COMPANIES ACT, 2013

Particulars of Investment and Loans given by the Company, during the year under review are as mentioned in the Notes 11 and 12 forming part of the Financial Statements. The Company has not given any guarantee and provided security under Section 186 of the Companies Act, 2013 during the year under review.

LOANS FROM DIRECTOR/ RELATIVE OF DIRECTOR

The balances of monies accepted by the Company from Directors/ relatives of Directors at the beginning of the year were ₹0.32 /- (in Lakhs) and at the close of year were Nil.

The Funds has been given out of Directors own Funds and is not being given out of funds acquired by borrowing from others.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All Related Party Transactions that were entered during the financial year ended on 31st March, 2024 were on an arm's length basis and in the ordinary course of business and is in compliance with the applicable provisions of the Act. There were Related Party Transactions made by the Company during the year that required shareholders' approval.

The Company has entered into related party transactions which fall under the scope of Section 188(1) of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in **Form AOC 2** are given in **Annexure III** of this Director Report for the F.Y 2023-24.

Details of other related party transactions have been included in Point 28 of Significant Account Policies to the standalone financial statements.

The Policy on the Related Party Transactions is available on the Company's website at www.scarnose.com

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has laid down the set of standards, processes and structure which enables to implement internal financial control across the Organization and ensure that the same are adequate and operating effectively. To maintain the objectivity and independence of Internal Audit, the Internal Auditor reports to the Chairman of the Audit Committee of the Board.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with the operating systems, accounting procedures and policies of the Company. Based on the report of Internal Auditor, the Company undertake the corrective action in their respective areas and thereby strengthen the Control. Significant audit observation and corrective actions thereon are presented to the Audit Committee of the Board.

PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company and percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year:

Name	Ratio to median remuneration	% increase in remuneration in the financial year
Executive Director		
Vimalkumar Mishrilal Shah	230.22	NIL
Chief Financial Officer		
Sanjana Parmar	107.91	NIL
Company Secretary		
Ankita Vivekkumar Shah	64.75	NIL

2. The percentage increase in the median remuneration of employees in the financial year: The median remuneration of the employees in current financial year was decrease by 2.80% over the previous financial year.
3. The number of permanent employees on the rolls of Company: 2
4. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
5. The Average 32.03% decrease was made in salary of employees. The remuneration paid to executive directors were within the limit as per approved by the shareholders of the Company.
6. Affirmation that the remuneration is as per the remuneration policy of the Company: The Company affirms that the remuneration is as per the remuneration policy of the Company.

The statement containing names of top five employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not applicable to the Company.

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

As required by the provisions of Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 the relevant data pertaining to conservation of Energy, Technology Absorption, Foreign exchange earnings is attached with **Annexure IV**.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE COURTS/REGULATORS

During the year under review, there were no significant and/or material orders passed by any Court or Regulator or Tribunal, which may impact the going concern status or the Company's operations in future.

INDUSTRIAL RELATIONS

The Directors are pleased to report that the relations between the employees and the management continued to remain cordial during the year under review.

BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34(2)(f) of the Listing Regulations read with notification SEBI/LAD-NRO/GN/2015-16/27 dated December 22, 2015, the Business Responsibility Report is to be given only by top 500 listed companies based on market capitalization, therefore the same is not applicable to the Company as on March 31, 2024.

MAINTENANCE OF COST RECORD

The provisions relating to maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, are not applicable to the Company and accordingly such accounts and records are not required to be maintained.

DEMATERIALISATION

The Demat activation number allotted to the Company is ISIN INE0IXR01019 . The company is holding its shares in dematerialized form only.

INSOLVENCY AND BANKRUPTCY CODE

There is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.

ACKNOWLEDGMENTS

The Board of Directors greatly appreciates the commitment and dedication of employees at all levels who have contributed to the growth and success of the Company. We also thank all our clients, vendors, investors, bankers and other business associates for their continued support and encouragement during the year.

We also thank the Government of India, Government of Gujarat, Ministry of Commerce and Industry, Ministry of Finance, Customs and Excise Departments, Income Tax Department and all other Government Agencies for their support during the year and look forward to their continued support in future.

Registered Office:

503, Sun Square, Nr. Hotel Nest,
Off. C.G. Road Navrangpura,
Ahmedabad, Gujarat-380006.

Place: Ahmedabad

Date: 22nd May, 2024

**By the Order of the Board of
Scarnose International Limited**

Sd/-

Vimalkumar M Shah

Managing Director

DIN: 03011067

Sd/-

Kunjal J Soni

Director

DIN: 08160838

ANNEXURE'S TO DIRECTOR'S REPORT

ANNEXURE I MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Director's have pleasure in presenting the management discussion and analysis report for the year ended on March 31, 2024.

GLOBAL ECONOMIC OVERVIEW

Global recovery is steady but slow and differs by region. The baseline forecast is for the world economy to continue growing at 3.2 percent during 2024 and 2025, at the same pace as in 2023. A slight acceleration for advanced economies—where growth is expected to rise from 1.6 percent in 2023 to 1.7 percent in 2024 and 1.8 percent in 2025—will be offset by a modest slowdown in emerging market and developing economies from 4.3 percent in 2023 to 4.2 percent in both 2024 and 2025. The forecast for global growth five years from now—at 3.1 percent—is at its lowest in decades. Global inflation is forecast to decline steadily, from 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. Core inflation is generally projected to decline more gradually.

INDIAN ECONOMY

India's economy grew by 8.2 per cent in the financial year ended March 2024, sharply higher than 7 per cent expansion recorded in the previous year, led by a robust performance of manufacturing and construction sectors, official data showed on Friday.

Beating expectations of analysts as well as the government, including the Reserve Bank of India (RBI), the country's gross domestic product (GDP) grew by 7.8 per cent in January-March quarter (Q4FY24), "The Q4 GDP growth data for 2023-24 shows robust momentum in our economy which is poised to further accelerate.

Real GDP, or GDP at constant prices, increased to Rs 173.82 lakh crore in FY24 from Rs 160.71 lakh crore in the previous year, registering a growth of 8.2 per cent, data released by the National Statistical Office (NSO) showed.

INDUSTRY OVERVIEW

The Financial Year 2023-24 was a year of very good performance for Scarnose International Limited. The Company would like to maintain its performance in future. The Indian's textiles sector is one of the oldest industries in Indian economy dating back several countries. The close linkage of the textile industry to agriculture (for a raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles make the Indian textiles sector unique in comparison to the industries of other countries. The Indian textile industry has the capacity to produce a wide variety of products suitable to different market segments both within India and across the world. The textiles industry has made a major contribution to the national economy in terms of net foreign exchange earnings and contribution to the GDP.

OPPORTUNITIES & THREATS

Opportunities:

- Technical Textiles.
- Growing domestic market.
- Large Potential Domestic and International Market.
- Vast export marked to explore.
- Buyer's preference for India.

Threats:

- Competition from other developing countries especially China.
- Geographical Disadvantage.
- Political/Economic Instability.
- To male balance between price and quality.

SEGMENT-WISE PERFORMANCE

The Company's main business activity is Trading of Textile.

OUTLOOK

The textile industry is a well-established with showing strong features and bright future. The textile industry is capital and technology intensive comparable with automobiles aircraft computers and heavy machinery industry. In comparison with other countries like China the cost of textile production in India is quite less. Textile sector is the oldest and largest manufacturing sector in India. The textiles manufacturing business is a pioneer activity in the Indian manufacturing sector and it has a primordial importance in the economic life of the country which is still predominantly based on the agro-alimentary sector. The sector profitability is likely to improve gradually with players passing on increased raw material prices to end-users given the healthy demand a depreciating rupee and waning impact of the structural issues.

The future for the Indian textile industry looks promising buoyed by both strong domestic consumption as well as export demand. High economic growth has resulted in higher disposable income. This has led to rise in demand for products creating a huge domestic market.

RISK & CONCERNS

In today's complex business environment almost every business decision requires executives and managers to balance risk and reward. Effective risk management is therefore critical to an organization's success. Timely and effective risk management is of prime importance to our continued success.

AUDIT AND INTERNAL CONTROL SYSTEM

One of the key requirements of the Companies Act, 2013 is that companies should have adequate Internal Financial Controls (IFC) and that such controls should operate effectively. Internal Financial Controls means the policies and procedures adopted by the Company for ensuring orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information. Your Company's process of assessment ensures that not only does adequate controls exist, but it can also be evidenced by unambiguous documentation. The process involves scoping and planning to identify and map significant accounts and processes based on materiality. Thereafter, risk is identified and their associated controls are mapped, else remediation is implemented. These controls are tested to assess operating effectiveness. The auditor performs independent testing of controls. The Auditors' Report is required to comment on whether the Company has adequate IFC system in place and such controls are operating effectively. Your Company's Internal Control System is robust and well established. It includes documented rules and guidelines for conducting business. The environment and controls are periodically monitored through procedures/ processes set by the management, covering critical and important areas. These controls are periodically reviewed and updated to reflect the changes in the business and environment.

RAW MATERIAL PRICES

The prices of basic major raw materials used in our manufacturing process viz. stainless steel scrap /flats of various grades doesn't affect much, as we are working in open market scenario.

FINANCIAL PERFORMANCE

During the year under review, the Company has generated total revenue of ₹1386.34/- (in Lacs)(Previous Year ₹4106.93/-(in Lacs)). The net profit before exceptional items and taxes is ₹1.44/- (in Lacs) (Previous Year ₹5.70/- (in Lacs)). The net profit after taxes resulted into the profit for the year at ₹0.93/- (in Lacs) (Previous Year ₹4.34/- (in Lacs)).

MATERIAL DEVELOPMENTS IN HR / INDUSTRIAL RELATION / NUMBER OF PERSON EMPLOYED

Our Company believes that the human capital is key to bring in progress. The Company believes in maintaining cordial relation with its employees, which is one of the key pillars of the Company's business. The Company's HR policies and practices are built on core values of Integrity, Passion, Speed, and Commitment. The Company's focus is on recruitment of good talent and retention of the talent pool. The Company is hopeful and confident of achieving the same to be able to deliver results and value for our shareholders. As on 31stMarch, 2024, the total employees on the Company's rolls stood at 12 and on contract basis.

ACCOUNTING POLICIES

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year. The financial statements have been prepared under the historical cost convention on an accrual basis. The management accepts responsibility for the integrity and objectivity of the financial statements, as well as for the various estimates and judgment used therein.

DISCLOSURE OF ACCOUNTING TREATMENT IN PREPARATION OF FINANCIAL STATEMENT

The Company has followed all relevant Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) while preparing Financial Statements.

DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS

The Company has identified the following ratios as key financial ratios:

Sr. No.	Particulars	2023-24	2022-23	Changes	Reason
1.	Return on Capital Employed	0.15%	0.74%	(79)%	(In %) It is primarily decreased due to decreased in net profit.
2.	Debtors Turnover Ratio	2.58%	3.95%	(35)%	(In %) It is bearing decreased due to decrease in turnover
3.	Current Ratio	207.93%	2.56%	8029%	(In %) It is primarily increased due to decrease in short term borrowings.
4.	Net Profit Margin	0.07%	0.11%	(37)%	(In %) It is decreased as Company's profitability is decreased on account of decrease in turnover.

DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF

Sr. No.	Particulars	2023-24	2022-23	Changes	Reason
1.	Return on Net Worth	0.10%	0.43%	(0.78)%	It is decreased as Company's profitability is decreased on account of decrease in turnover.

CAUTIONERY STATEMENT

Statements in this report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.

Registered Office:

503, Sun Square, Nr. Hotel Nest,
Off. C.G. Road Navrangpura,
Ahmedabad, Gujarat-380006.

Place: Ahmedabad
Date: 22nd May, 2024

**By the Order of the Board of
Scarnose International Limited**

Sd/-
Vimalkumar M Shah
Managing Director
DIN: 03011067

Sd/-
Kunjali J Soni
Director
DIN: 08160838

ANNEXURE II
MR-3
SECRETARIAL AUDIT REPORT
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To the Members,
SCARNOSE INTERNATIONAL LIMITED
(Formerly Known As Scarnose International Private Limited)
503, Sun Square, Nr. Hotel Nest,
Off. C.G. Road, Navrangpura,
Ahmedabad, Gujarat, 380006

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SCARNOSE INTERNATIONAL LIMITED (Formerly Known As Scarnose International Private Limited)**[CIN: U15400GJ2011PLC064911](hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to me and the representations made by the management, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31stMarch, 2024, generally 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:

I have examined the books, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31stMarch, 2024 and made available to me according to the provisions of:

- (i) The Companies Act, 2013 (“the Act”) and the rules made there under as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **Not applicable to the company for the financial year ended March 31, 2024**
- (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 as amended from time to time

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and 2015, as amended from time to time
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not applicable to the company for the financial year ended March 31, 2024**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations. 2008;**Not applicable to the company for the financial year ended March 31, 2024**
- (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(**Not applicable as the Company is not registered as a Registrars to an Issue or Share Transfer Agent during the financial year under review**);
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;**Not applicable to the company for the financial year ended March 31, 2024**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;**Not applicable to the company for the financial year ended March 31, 2024; and**

I have also examined compliance with the applicable clauses of the following:

- a) Secretarial Standards issued by the Institute of Company Secretaries of India;
- b) The Listing Agreements entered into by the Company with BSE SME.

I further report that having regard to the Compliance System Prevailing in the Company and on examination of the relevant documents and records pursuant to them of the Company has generally comply with the provision of following laws:

- Local taxes as applicable in the state of Gujarat

During the period under review, the Company has generally complied with the all material aspects of applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- a) The Company has not complied with requirement of SDD as per Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- b) The Company has not appointed Company Secretary as per the requirement under Regulation 6(1A) of SEBI (LODR) Regulations after the resignation of company secretary from 12th January, 2024.
- c) The Company has given the disclosure under Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018 for the quarter ended on 30th September, 2023 to the stock exchange beyond 30 days from the end of the Quarter.
- d) The Company has given the disclosure under Regulation 74(5) of the SEBI (Depositories and Participants) Regulations, 2018 for the quarter ended on 30th September, 2023 to the stock exchange beyond 15 days from the end of the Quarter.
- e) The Company has given the disclosure under Regulation 3(5) and 3(6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 for the quarter ended on 30th September, 2023 to the stock exchange beyond 21 days from the end of the Quarter.
- f) The Company has not make disclosure of under Regulation 3(5) and 3(6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 for the quarter ended on 31st December, 2023.
- h) The Company has not filed XML of Prior Intimation of the notice of the Board Meeting held on 08th November, 2023 to the stock exchange.

i) The Company has not filed XML of Annual Report of the AGM held on 18th September, 2023 to the stock exchange.

I further report that:

a) The Compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.

b) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes if any in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

c) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

d) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, and regulations and guidelines.

The following event has occurred during the year which has a major bearing on the company's affairs in pursuance of the Laws, Rules, Regulations, Guidelines Standards etc referred to above:

a) During the year, the company had opened offer for the acquisition of 8,20,000 (Eight Lakhs Twenty Thousand) Fully Paid-Up Equity Shares of the face value of Rs. 10/- each, representing 26.03% of the total Equity and voting Share Capital of the Target Company, at a price of Rs. 73.00/- (Rupees SeventyThree Only) per fully paid-up Equity Share (the "Offer Price") payable in Cash pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time ("SEBI (SAST) Regulations" by Mrs. Devi Dineshbhai Pandya (Acquire No. 1), Mr. Dev Dineshbhai Pandya (Acquire No. 2) and Mr. Jigar Dineshbhai Pandya (Acquire No.3).

**For, Prachi Bansal and Associates
Company Secretaries**

**Place : Ahmedabad
Date : 22nd May, 2024**

**Sd/-
Prachi Bansal
PROPRIETOR
Mem NO.: 43355
COP. NO.: 23670
UDIN NO: A043355F000433888
Peer Review No: 3702/2023**

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms unintegral part of this report.

Annexure A - List of Documents Verified

1. Memorandum and Articles of Association of the Company.
2. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Independent Directors Meeting along with attendance register held during the period under report.
3. Minutes of General Body meetings held during the period under report.
4. Statutory registers records under the Companies Act, 2013 and Rules made there under namely:
 - Register of the Directors and the Key Managerial Personnel
 - Register of the Directors' shareholding
 - Register of loans, guarantees and security and acquisition made by the Company
 - Register of Members.
1. Declarations received from the Directors of the Company in Form MBP-1 pursuant to the provisions of Section 184 of the Companies Act, 2013.
6. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the period under report.
7. Communications/ Letters issued to and acknowledgements received from the Independent Directors for their appointment.
8. Various policies framed by the Company from time to time as required under the Companies Act, 2013.

ANNEXURE- B

**To the Members,
SCARNOSE INTERNATIONAL LIMITED
(Formerly Known As Scarnose International Private Limited)
503, Sun Square, Nr. Hotel Nest,
Off. C.G. Road, Navrangpura,
Ahmedabad, Gujarat, 380006.**

My Secretarial audit report for the financial year 31st March, 2024 is to be read along with this letter.

Management's Responsibility

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

Auditor's Responsibility

2. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibly of the management. Our examination was limited to the verification of the procedures on test basis. My Responsibility is to express an opinion on these secretarial records, standards and procedures followed by the company with respect to secretarial compliances.

3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that Audit evidence and information obtained from the company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, I have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
6. I have not verified the correctness and appropriateness of financial records and books of account of the company.

Place : Ahmedabad
Date : 22nd May, 2024

For, Prachi Bansal and Associates
Company Secretaries

Sd/-
Prachi Bansal
PROPRIETOR
Mem NO.: 43355
COP. NO.: 23670
UDIN NO: A043355F000433888
Peer Review No: 3702/2023

ANNEXURE III
FORM NO. AOC -2
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.)

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

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SCARNOSE INTERNATIONAL LIMITED (the Company) has not entered into any contract/ arrangement/ transaction with its related parties, which is not in ordinary course of business or at arm's length during the financial year 2024. The Company has laid down policies and processes/ procedures so as to ensure compliance to the subject section in the Companies Act, 2013 (Act) and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Board of Directors.

- (a) Name(s) of the related party and nature of relationship: Not Applicable
- (b) Nature of contracts/ arrangements/ transactions: Not Applicable
- (c) Duration of the contracts/arrangements/transactions: Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- (e) Justification for entering into such contracts or arrangements or transactions: Not Applicable
- (f) Date(s) of approval by the Board: Not Applicable
- (g) Amount paid as advances, if any: Not Applicable
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: Not Applicable

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

Sr. No.	Name (s) of the related party & nature of relationship	Nature of contracts/arrangements/transaction	Duration of the contracts/arrangements/transaction	Salient terms of the advanced or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advanced, if any
1.	Vimalkumar Mishrilal Shah	Remuneration	01/04/2023-31/03/2024	4.80		NIL

	Director of the Company						
2.	Vimalkumar Mishrilal Shah Director of the Company	Rent	01/04/2023-31/03/2024	1.20			NIL

PLACE: Ahmedabad
DATE: 22/05/2024

By Order of the Board
For, SCARNOSE INTERNATIONAL LIMITED

Sd/-

Vimal Kumar Mishrilal Shah
DIN: 03011067
Managing Director

Sd/-

Kunjal Soni
DIN: 08160838
Director

ANNEXURE IV
CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS / OUTGO

Additional particulars required under the Companies (Disclosure of Particulars in reports of Directors) Rules, 1988 forming part of the Directors report for the year ended 31st March 2024.

A. CONSERVATION OF ENERGY:

- (i) The steps taken or impact on conservation of energy: Installed energy-efficient lighting Turn off lights and appliances when they are not in use
- (ii) The steps taken by the Company for utilising alternate sources of energy: The Company has planned to appoint energy advisors to examine and suggest for alternate of energy if possible, using the same for working
- (iii) The capital investment on energy conservation equipments: During the year under review, Company has not incurred any capital expenditure on energy conservation equipment.

B. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION:

- 1. The efforts made towards technology absorption: The company is planning to invest in new technology, such as software or hardware, to improve its trading operations.
- 2. The benefits derived like product improvement, cost reduction, product development or import substitution: The benefit will be visible in future working.
- 3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
 - a) The details of technology imported: Nil
 - b) The year of import: Nil
 - c) Whether the technology been fully absorbed: Nil
 - d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Nil
- 4. The expenditure incurred on Research and Development: Nil

C. FOREIGN EXCHANGE EARNING AND OUTGO:

The Details of Foreign Exchange Earnings and out-go are as under.

FOREIGN EXCHANGE EARNINGS AND OUTGO		2024	2023
a.	Foreign exchange earnings	0	0
b.	CIF Value of imports	0	0
c.	Expenditure in foreign currency	0	0

PLACE: Ahmedabad
DATE: 22/05/2024

By Order of the Board
For, SCARNOSE INTERNATIONAL LIMITED

Sd/-

Vimal Kumar Mishrilal Shah
Managing Director
DIN: 03011067

Sd/-

Kunjali Soni
Director
DIN: 08160838

DECLARATION

Declaration on Compliance with Code of Conduct under Regulation 26(3) Of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange, all the Board Members and the Senior Management Group have confirmed compliance with the Code of SEBI for the financial year ended on March 31, 2024.

Place: Ahmedabad

Date:22/05/2024

For SCARNOSE INTERNATIONAL LIMITED

Sd/-

Vimal Kumar Mishrilal Shah

DIN: 03011067

Managing Director

CEO / CFO CERTIFICATION

To,
The Board of Directors,
SCARNOSE INTERNATIONAL LIMITED
503, Sun Square, Nr. Hotel Nest,
Off. C.G. Road, Navrangpura,
Ahmedabad, Gujarat, 380006.

We hereby certify to the Board that:

- A. We have reviewed financial statements and the cash flow statement for the financial year ended on March 31, 2024 and that to the best of our knowledge and belief:
1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. 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 financial year which are fraudulent, illegal or volatile 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 the Audit committee:
1. Significant changes in internal control over financial reporting during the financial year;
 2. Significant changes in accounting policies during the financial year and that the same have been disclosed in the notes to the financial statements; and
 3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

PLACE: Ahmedabad
DATE: 22/05/2024

By Order of the Board
For, SCARNOSE INTERNATIONAL LIMITED

Sd/-

Vimal Kumar Mishrilal Shah
DIN: 03011067
Managing Director

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 of
SCARNOSE INTERNATIONAL LIMITED
(Formerly Known As Scarnose International Private Limited)
503, Sun Square, Nr. Hotel Nest,
Off. C.G. Road, Navrangpura,
Ahmedabad, Gujarat, 380006.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SCARNOSE INTERNATIONAL LIMITED (Formerly Known As Scarnose International Private Limited)** having **CIN:U15400GJ2011PLC064911** and having registered office at 503, Sun Square, Nr. Hotel Nest, Off. C.G. Road, Navrangpura, Ahmedabad, Gujarat, 380006 (hereinafter referred to as 'the Company'), produced before me 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 & its officers, I 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.

Sr. No.	Name of Director	DIN	Date of appointment in Company *
1	VIMAL KUMAR MISHRILAL SHAH	03011067	25/09/2018
2	KUNJAL JAYANTKUMAR SONI	08160838	06/05/2021
3	JIGAR DINESH KUMAR PANDYA	07905076	26/03/2024
4	DEV DINESHBHAI PANDYA	07905073	26/03/2024
5	DRASHTIBEN PRAFULBHAI DEDANIYA	10219807	26/03/2024

**the date of appointment is as per the MCA Portal.*

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

**For, Prachi Bansal and Associates
Company Secretaries**

**Place : Ahmedabad
Date :22nd May,2024**

**Sd/-
Prachi Bansal
PROPRIETOR
Mem NO.: 43355
COP. NO.: 23670
UDIN NO: A043355F000433888
Peer Review No: 3702/2023**

INDEPENDENT AUDITOR'S REPORT

To,

The Members
Scarnose International Limited
Ahmedabad

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of Scarnose International Limited (“the Company”), which comprise the Balance sheet as at March 31, 2024, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended March 31, 2024 and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit 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 financial statements under the provisions of the Act 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

Emphasis of Matter Paragraph

We draw the attention to Note:5 of the Statement of Audited Results for the year ended on March 31, 2024 and Note : 2(f)(a) of the Standalone Financial Statements the existing Promoters of the company had entered into Share Purchase Agreement dated 10th November, 2023 for transfer of 19,50,000 Equity Shares. Accordingly Public Announcement and Letter of Offer have been filed with BSE and SEBI pursuant to SEBI (SAST) Regulations, 2011 as amended from time to time. Subsequently the management of Company has been changed after completion of Open Offer.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In our opinion there are no matters to report as Key Audit matters.

Information other than the financial statements and auditors' report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the above mentioned reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions as per the applicable laws and regulations.

Management's responsibility for the financial statements

The Company's Board of Directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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, 2016 ("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 A/c and the Cash Flow Statement dealt with by this report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;

(e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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**”; and

and

(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 explanation given to us, no remuneration is being paid by the Company to its directors and therefore provisions of Section 197 of the Act is not applicable.

(h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;

- The Company does not have any pending litigations which would impact its financial position;
- The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 01st April, 2023. Based on our examination, which included test checks, the company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 however software used does not have a feature of recording audit trail (Edit Log) facility.

For S V J K and Associates
Chartered Accountants
Firm Registration No. 135182W

Ankit Singhal
Partner
Membership No. 151324
UDIN: 24151324BKESHF4821

Place: Ahmedabad
Date: May 22, 2024

Annexure – A

To The Independent Auditor's Report

Report on the Companies (Auditor' Report) Order, 2020, issued in terms of section 143 (11) of the Companies Act, 2013('the Act') of Scarnose International Limited ('the Company')

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, We state that

- (i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Capital work in progress and relevant details of right of use Assets.
B. The Company has maintained proper records showing full particulars of Intangible Assets, wherever applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a programme of verification to cover all the items of fixed assets in a phased manner of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, portion of the fixed assets were physically verified by the Management during the year. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at 31st March, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) During the year the company has not been sanctioned working capital loan in excess of Rs five crore hence this clause is not applicable.

- (iii) a) According to information and explanation given to us, the company has made investment and granted loan and advances in the nature of loan, provided guarantees to the persons other than associates, subsidiaries and joint ventures as follow:

Particulars	Amount in Lacs (Loans including Business Advances)	Amount in Lacs (Guarantee)	Amount in Lacs (Investment)
Aggregate amount of loan granted/ Guarantee provided/Investments made during the year	276.25	0.00	0.00
Balance outstanding as at balance sheet date in respect of above case	373.40	0.00	0.00

- b) According to information and explanation given to us and based on the audit procedures conducted by us, We are of the opinion that the terms and conditions of which loans have been granted by the company during the year are not prejudicial to the company's interest.
- c) According to information and explanation given to us and based on the audit procedures conducted by us, in respect of loans and advances in the nature of loans, schedule of repayment of principal and payment of interest has not been stipulated.
- d) There are no amounts of loans granted to companies which are overdue for more than ninety days.
- e) None of the loan or advance in the nature of loan, granted and has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loan given the same parties.
- f) The Company has granted Loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, to the following related parties as defined in clause (76) of section 2 of the Companies Act, 2013 as per details mentioned below.

Sr. No.	Particulars	Amount of Loan granted during the year	O/s Bal. as on 31st March, 2024
1)	Advances granted to promoters	NIL	NIL
2)	Business Advances Granted to related parties other than promoters	NIL	NIL
3)	% of overall Business Advances granted of same nature	-	-

- (iv) In our opinion and according to information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the order is not applicable.
- (v) The Company has not accepted deposits or amounts which are deemed to be deposits from the public during the year and does not have any unclaimed deposits as at March 31, 2024. Therefore, the reporting requirement under clause 3(v) of the Order is not applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it (and/or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.
- (vii)
 - (a) According to the information and explanations given to us and based on records of the Company examined by us, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Customs Duty, income tax deducted at source, Goods and Service Tax and other material statutory dues, as applicable.
 - (b) According to the information and explanations given to us disputed dues which have not been deposited as at 31st March, 2024, there are no disputed dues.
- (viii) (a) According to the information and explanations given to us and the records of the Company examined by us, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.
- (ix)
 - (a) In our opinion, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
 - (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - (c) To the best of our knowledge and belief, in our opinion, The company has not obtained any loans or borrowings from any lender hence this clause is not applicable.
 - (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) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to use the obligations of its subsidiary.
 - (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary.
- (x)
 - (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Hence reporting under clause (x)(a) of the Order is not applicable.
 - (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally). Hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any

- such case by the Management.
- (b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard 18 “Related Party Disclosures” specified under Section 133 of the Act.
- (xiv) (a) In our opinion the Company does not require internal audit system as per provision of Section 138 of the Companies Act,2013. Accordingly, Paragraph 3 (xiv)(a) of the Order is not applicable.
(b) Since the Company is not required to have the Internal Audit System accordingly, reporting under Paragraph 3 (xiv)(b) of the Order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with Directors or persons connected to directors and hence paragraph 3(xv) of the Order is not applicable.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
(b) The Company has not conducted any Non Banking Financial or Housing Finance activities without a Valid Certificate of Registration (CoR) from the Reserve bank of India as per the Reserve Bank of India Act,1934.
(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
(d) According In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) and it does not have any other companies in the Group. Accordingly, paragraph 3 (xvi) (d) of the Order is not applicable
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) The statutory auditors of the Company has been resigned during the year and there were no issues, objections or concern raised by the outgoing auditors.

- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, (Asset Liability Maturity (ALM) pattern) other information accompanying the financial statements and 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 me to believe that any material uncertainty exists as on the date of the audit report indicating 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. I, 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 CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of Section 135 of the said Act. Accordingly, reporting under paragraph 3 Clause (xx) of the order does not arise
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For S V J K and Associates
Chartered Accountants
Firm Registration No. 135182W

Ankit Singhal
Partner
Membership No. 151324
UDIN: 24151324BKESHF4821

Place: Ahmedabad
Date: May 22, 2024

ANNEXURE - B
TO THE INDEPENDENT AUDITOR'S REPORT

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 Scarnose International Limited (“the Company”) as of 31st 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 standalone 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 authorizations of management and directors of the company; and (3) provide reasonable assurance

regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, 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 S V J K and Associates
Chartered Accountants
Firm Registration No. 135182W

Ankit Singhal
Partner
Membership No. 151324
UDIN: 24151324BKESHF4821

Place: Ahmedabad
Date: May 22, 2024

Notes forming part of financial statements for the year ended on 31st March, 2024

Note 1: Significant Accounting Policies:

1. Basis of Accounting & Revenue Recognition:

The Accounts are prepared under the historical cost convention applying accrual method of accounting and as a going concern, complying with the applicable Accounting Standards and the generally accepted accounting principles prevailing in the country.

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from Operations include sale of goods. Interest income, if any is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

2. Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

3. Fixed Assets:

Tangible assets are stated at cost, less accumulated depreciation and impairment, if any. Direct costs are capitalized until such assets are ready for use. Capital work in progress comprises the cost of fixed assets that are not yet ready for their intended use at the reporting date.

4. Depreciation:

Depreciation has been charged on cost of fixed assets, adopting the following methods / rates:

1. Depreciation is calculated using Straight Line Method (SLM) to allocate their cost, net of their residual values, over their estimated useful lives prescribed in Schedule II of the Companies Act, 2013.
2. If the cost of a part of the asset is significant to the total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately for depreciation.
3. For other assets acquired / sold during the year pro-rata charge has been made from the date of first use or till the date of sale.

5. Impairment:

Impairment loss from fixed assets is assessed as at the close of each financial year and appropriate provision, if required, is considered in the accounts.

6. Segment Information:

The Company operates only in one reportable business segment namely trading in textile. Hence, there are no reportable segment under AS – 17. The conditions prevailing in India being uniform no separate geographical disclosures are considered necessary.

7. Borrowing Cost:

Interest and other costs in connection with the borrowing of the funds to the extent related/attributed to the acquisition/construction of qualifying fixed assets are capitalized as a part of the cost of such asset up-

to the date when such assets are ready for its intended use and other borrowing costs are charged to statement of Profit & Loss.

8. Inventories:

Inventories are valued at the lower of the cost & estimated net realizable value. Cost of inventories is computed on a FIFO basis. Finished goods & work in progress include costs of conversion & other costs incurred in bringing the inventories to their present location & condition. Proceeds in respect of sale of raw materials/ stores are credited to the respective heads. Obsolete, defective & unserviceable stocks are duly provided for.

9. Sales:

- a) Sales of goods are recognized on dispatches from factory or go-down or on directly on a consignment basis to customers, excluding of Goods and Service Tax and are net of trade discount.
- b) Interest Income from financial assets is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

10. Retirement benefits:

Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

- a) **Provident Fund:** The management is of the opinion that Provident Fund is not applicable to the Company as number of employees are less than that as required by law.
- b) **Gratuity:** The provision of gratuity is not made by the Company. However, if payment on account of gratuity arises due to happening of any incidents as provided under the applicable provisions of law, the same will be accounted for cash basis.
- c) **Pension:-**
The management is also of the opinion that the payment under Pension Act is not applicable to the Company.

11. Provision for Current and Deferred Tax:

Income tax expense is accounted for in accordance with AS 22- "Accounting for Taxes on Income" prescribed under the Companies (Accounting Standard) Rules, 2006 which includes current tax and deferred taxes.

Current taxes reflect the impact of tax on income of the previous year as defined under the Income Tax Act, 1961 as per applicable rates.

Deferred taxes reflect the impact of Current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years if any. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available.

12. Amount Due to Micro, Small and Medium Enterprises:

- (i) Based on the information available with the Company in respect of MSME (as defined in the Micro, Small and Medium Enterprises Development Act, 2006) there are no delays in payment of dues to such enterprise during the year.

- (ii) The identification of Micro, Small and Medium Enterprises Suppliers as defined under “The Micro, Small and Medium Enterprises Development Act, 2006” is based on the information available with the management. As certified by the management, the amounts overdue as on March 31, 2024 to Micro, Small and Medium Enterprises on account of principal amount together with interest, aggregate to Rs. Nil.

13. Cash and Cash Equivalents :

Cash and Cash equivalents includes cash and cheque on hand, demand deposits with banks, fixed deposits and other long term and short term highly liquid investments with original maturities of three months or less.

14. Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that is reasonably estimate, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligations or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

15. Earning Per Share:

Basic and diluted earnings per share are computed in accordance with Accounting Standard-20. Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

16. Investments:

Current investments, if any are carried at lower of cost & net realizable value. Long term (noncurrent) investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

SCARNOSE INTERNATIONAL LIMITED
(CIN: U15400GJ2011PLC064911)
503, SUN SQUARE, NR. HOTEL NEST, OFF. C.G. ROAD,
NAVRANGPURA, AHMEDABAD GJ 380006 IN
BALANCE SHEET AS AT 31ST MARCH, 2024

(Amount in Lacs)

PARTICULARS	NOTE No.	As at 31.03.2024	As at 31.03.2023
I. EQUITY AND LIABILITIES:			
1. SHARE HOLDERS FUNDS :			
(a) Share Capital	'2'	315.02	315.02
(b) Reserves & Surplus	'3'	640.12	688.33
		955.14	1,003.35
2. NON-CURRENT LIABILITIES :			
(a) Long Term Borrowings		-	-
(b) Deferred Tax Liability	'4'	0.47	0.58
(c) Other Long Term Liabilities	'5'	-	-
(d) Long Term Provisions		-	-
		0.47	0.58
3. CURRENT LIABILITIES :			
(a) Short Term Borrowings	'6'	-	0.32
(b) Trade Payables	'7'		
i] Due to MSME			
ii] Due to Others		1.85	304.68
(c) Short Term Provisions	'8'	1.80	3.82
(d) Other Current Liabilities	'9'	0.18	197.62
		3.83	506.44
TOTAL		959.44	1,510.37
II ASSETS:			
1. NON CURRENT ASSETS:			
(a) Property, Plant & Equipments and Intangible Assets:			
i] Property, Plant & Equipments	'10'	5.19	6.16
(b) Non- Current Investments	'11'	10.63	10.63
(c) Long Term Loans & Advances	'12'	147.14	148.99
(d) Other Non- Current Assets	'13'	-	49.13
		162.96	214.91
2. CURRENT ASSETS :			
(a) Inventories	'14'	-	-
(b) Trade Receivables	'15'	536.56	1,040.95
(c) Cash and Cash Equivalents	'16'	14.66	45.28
(d) Short Term Loans & Advances	'17'	245.04	208.98
(e) Other Current Assets	'18'	0.23	0.25
		796.48	1,295.46
TOTAL		959.44	1,510.37
Significant Accounting Policies	'1'		
The accompanying notes are an integral part of the financial statements			
In terms of our report of even date			
For, S V J K and Associates		For and on Behalf of Board of Directors	
Chartered Accountants		Scarnose International Limited	
Firm Registration No. 135182W			
Ankit Singhal		Vimalkumar Shah	Heli Modi
Partner		Managing Director	Company Secretary
Membership No. 151324		DIN: 03011067	
UDIN : 24151324BKESHF4821			
		Kunjali Soni	
		Director	
		DIN: 08160838	
Date: 22nd May, 2024		Date: 22nd May, 2024	
Place: Ahmedabad		Place: Ahmedabad	

SCARNOSE INTERNATIONAL LIMITED		
NOTES forming part of financial statements for the year ended March 31, 2024		
	As at 31.03.2024	As at 31.03.2023
2.SHARE CAPITAL :		
(a) Authorised Share Capital :		
35,00,000 (P.Y. 35,00,000) Equity Share of Rs. 10/- each	350.00	350.00
	350.00	350.00
(b) Issued, Subscribed and Paid Up:		
31,50,150 (P.Y. 31,50,150) Equity shares of Rs. 10/- each fully paid	315.02	315.02
	315.02	315.02
(c) Reconciliation of number of Shares outstanding at the beginning and end of the year :		
Shares outstanding at the beginning of the year	31,50,150	19,50,150
Add: Shares Issued during the year		
Fresh Issue	-	12,00,000
Bonus Shares Issued	-	-
Less: Shares bought back during the year		
Other changes	-	-
Shares outstanding at the end of the year	31,50,150	31,50,150
(d) Rights, Preferences and restrictions attached to Equity Shares :		
The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.		
In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholders.		
(e) Shares in the Company held by each shareholder holding more than 5% Shares:-		
Name of the shareholder	As at 31.03.2024	As at 31.03.2023
Vimal Shah		
No. of shares	9,75,000.00	9,75,000.00
% of total shareholding	30.95%	30.95%
Hitesh Loonia		
No. of shares	9,75,000.00	9,75,000.00
% of total shareholding	30.95%	30.95%
(f) Shares held by the Promoters at the end of the year* :-		
Vimal Shah		
No. of shares	9,75,000.00	9,75,000.00
% of total shareholding	30.95%	30.95%
Hitesh Loonia		
No. of shares	9,75,000.00	9,75,000.00
% of total shareholding	30.95%	30.95%
*Note 2 (f)(a) :- The existing Promoters of the company had entered into Share Purchase Agreement dated 10th November, 2023 for transfer of 19,50,000 Equity Shares. Accordingly Public Announcement and Letter of Offer have been filed with BSE and SEBI pursuant to SEBI (SAST) Regulations, 2011 as amended from time to time. Subsequently the management of Company has been changed after completion of Open Offer.		
3. RESERVES & SURPLUS		
(A) Securities Premium A/c		
Opening Balance	625.01	85.01
Add: Additions during the year	-	540.00
Less: Miscellaneous expense written off	(49.13)	-
Closing Balance	575.88	625.01
(B) Profit & Loss Account		
Opening Balance	63.32	58.98
Add: Net Profit for the year	0.93	4.34
Closing Balance	64.25	63.32
TOTAL (A+B)	640.12	688.33

SCARNOSE INTERNATIONAL LIMITED		
NOTES forming part of financial statements for the year ended March 31, 2024		
	As at 31.03.2024	As at 31.03.2023
4. DEFERRED TAX LIABILITIES		
Opening Balance of (DTA)/ DTL	0.58	1.39
Add/(Less): Provision for the year	(0.11)	(0.81)
Closing Balance of (DTA) / DTL	0.47	0.58
5. OTHER LONG TERM LIABILITIES		
Nil	-	-
6. SHORT TERM BORROWINGS		
Unsecured Loan		
Loan Repayable on Demand		
From Directors/ shareholders	-	0.32
Inter Corporate Deposit	-	-
	-	0.32
7. TRADE PAYABLES*		
i] Due to MSME	-	-
ii] Due to Others	1.85	304.68
	1.85	304.68
*Note: Trade Payable due to MSME have been determined to the extent such parties have been indentified on the basis of information collected by Management. This has been relied upon by the auditors.		
Ageing Schedule of Trade Payables:		
(i) Due to MSME	-	-
(ii) Other than due to MSME		
Outstanding for less than 1 year	1.85	304.68
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
(iii) Disputed dues- MSME	-	-
(iv) Disputed dues- Others	-	-
	1.85	304.68
8. SHORT TERM PROVISIONS		
(a) Provision for employee benefits		
Salary & Remuneration	0.75	1.35
Director Remuneration Payable	-	-
(b) Statutory Dues	-	-
(c) Others		
Provision for Tax	0.50	2.22
Provision for others	0.55	0.25
	1.80	3.82
9. OTHER CURRENT LIABILITIES		
(a) Advance From Customers	-	195.94
(b) Statutory Dues	0.18	1.68
	0.18	197.62
SCARNOSE INTERNATIONAL LIMITED		
NOTES forming part of financial statements for the year ended March 31, 2024		
	As at 31.03.2024	As at 31.03.2023
11. NON CURRENT INVESTMENT		
Other Investments		
Investment in UPCL Bonds	10.63	10.63
	10.63	10.63
12. LONG TERM LOANS & ADVANCES		
Deposits		
(i) Inter corporate Loans/Deposits	146.94	135.19
(ii) Loans/Advance/Deposit to Directors/KMP/Related Parties		
Promoters		
Directors (Office Deposit)	-	7.00
KMPs	-	-
Related Parties	-	-
Other Deposits	0.20	6.80

	147.14	148.99
13. OTHER NON-CURRENT ASSETS		
Miscellaneous Expenditure not written off	-	49.13
	-	49.13

SCARNOSE INTERNATIONAL LIMITED
NOTES forming part of financial statements for the year ended March 31, 2024

	As at 31.03.2024	As at 31.03.2023
14. INVENTORIES		
Finished Goods	-	-
	-	-
15. TRADE RECEIVABLES		
(i) Undisputed Trade Receivables Considered Good		
Less than 6 months	-	806.50
6 months to 1 year	-	234.44
1 year to 2 years	536.56	-
2 years to 3 years	-	-
More than 3 years	-	-
(ii) Disputed Trade Receivables Considered Doubtful	-	-
(iii) Disputed Trade Receivables Considered Good	-	-
(iv) Undisputed Trade Receivables Considered Good	-	-
	536.56	1,040.95
16. CASH AND BANK BALANCES		
Cash and Cash Equivalents:		
- Cash in Hand	13.46	9.95
- Balance with Banks:		
In Current Account	1.20	35.34
	14.66	45.28
17. SHORT TERM LOANS & ADVANCES		
(Unsecured , Considered Good Unless Otherwise Stated):		
i) Advance recoverable in cash or in kind	226.47	-
ii) Advance Tax	3.30	4.43
iii) Advance to supplier	10.15	198.14
iv) Balance with Statutory Authorities	5.13	6.40
	245.04	208.98
18. OTHER CURRENT ASSETS		
Interest Receivable	0.23	0.25
	0.23	0.25

SCARNOSE INTERNATIONAL LIMITED (CIN: U15400GJ2011PLC064911) 503, SUN SQUARE, NR. HOTEL NEST, OFF. C.G. ROAD, NAVRANGPURA, AHMEDABAD GJ 380006 IN STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2024			
PARTICULARS	NOTE NO.	For the Year Ended 31.03.2024	For the Year Ended 31.03.2023
I. Revenue From Operations	'19'	1,386.34	4,106.93
II. Other Income	'20'	28.04	18.08
III. Total Income		1,414.38	4,125.01
IV. Expenses:			
Cost of Material Consumed	'21'	-	-
Purchase of Stock in Trade (Net)		1,387.77	4,050.97
Changes in inventories of finished goods,WIP and stock- in-trade	'22'	-	20.11
Employee benefits Expenses	'23'	16.17	24.88
Finance Costs	'24'	0.03	1.73
Depreciation	'10'	0.97	2.97
Other Expenses	'25'	8.00	18.65
Total Expenses		1,412.94	4,119.32
V. Profit Before Exceptional Items & Taxes		1.44	5.70
VI. Exceptional Items		-	-
VII. Profit Before Taxes (V-VI)		1.44	5.70
VIII. Tax Expenses			
(a) Current Tax		0.50	2.22
(b) Short/ excess provision written off		0.12	(0.05)
(c) Deferred Tax		(0.11)	(0.81)
Total		0.51	1.36
IX. Profit /(Loss) for the year (VII-VIII)		0.93	4.34
X. Earnings per Share (Face Value of Rs.10 per Share)	'26'		
Basic / Diluted (Weighted Average Per Share)		0.03	0.15
No. of Equity Outstanding at the year end		31,50,150	31,50,150
Weighted Average No. of Equity Shares outstanding at the year end		31,50,150	28,60,835
Significant Accounting Policies	1'		
The accompanying notes are an integral part of the financial statements			
As per our report of even date			
For, S V J K and Associates		For and on behalf of Board of Directors	
Chartered Accountants		Scarnose International Limited	
Firm Registration No. 135182W			
Ankit Singhal		Vimalkumar Shah	Kunjal Soni
Partner		Director	Director
Membership No. 151324		DIN: 03011067	DIN: 08160838
UDIN : 24151324BKESHF4821			
		Heli Modi	
		Company Secretary	
Date: 22nd May, 2024		Date: 22nd May, 2024	
Place: Ahmedabad		Place: Ahmedabad	

SCARNOSE INTERNATIONAL LIMITED
NOTES forming part of financial statements for the year ended March 31, 2024

	For the year 31.03.2024	For the year 31.03.2023
19. REVENUE FROM OPERATIONS		
(a) Sale of Products	1,386.34	4,103.33
(b) Sale of Services	-	3.60
	1,386.34	4,106.93
(c) Other Operating Revenues	-	-
	1,386.34	4,106.93
<u>Sale of Product Comprises:</u>		
Traded Goods	1,386.34	4,103.33
Manufactured Goods	-	-
	1,386.34	4,103.33
20. OTHER INCOME		
Interest Income	27.29	16.20
Misc. Income	-	-
Sundry Balance Written Off	0.75	0.21
Discount	-	1.67
Capital Gain on sale of shares		
	28.04	18.08
<u>Interest Income Comprises</u>		
Interest on Deposits	26.16	15.08
Interest on Income Tax refund	0.11	0.11
Interest on Bonds	1.01	1.02
	27.29	16.20
21. COST OF MATERIAL CONSUMED		
Opening Stock of Raw Material	-	-
Add: Purchase during the year	-	-
Less: Closing Stock of Raw Material	-	-
	-	-
22. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
<u>Inventories at the end of the year:</u>		
Finished Goods	-	-
Stock in Trade	-	-
	-	-
<u>Inventories at the beginning of the year:</u>		
Finished Goods	-	20.11
Stock in Trade	-	-
	-	20.11
Net (increase) / decrease	-	20.11

SCARNOSE INTERNATIONAL LIMITED
NOTES forming part of financial statements for the year ended March 31, 2024

	For the year 31.03.2024	For the year 31.03.2023
23. EMPLOYEES BENEFITS EXPENSES		
Salary & Bonus	11.37	16.59
Director Remuneration	4.80	7.20
Staff Welfare Exp.	-	1.09
	16.17	24.88
24. FINANCE COSTS		
Interest expense on :		
(i) Borrowings	-	1.58
(ii) Others	0.03	0.16
Bank Charges	0.00	-
	0.03	1.73
25. OTHER EXPESNES:		
Software & Website Expense	0.33	-
Power & Fuel Exp.	-	0.40
Audit Fees	0.30	0.25
Advertisment Exp.	3.00	2.35
Balance Written Off	0.93	-
Loss on sale of Assets	-	0.77
Business Promotion Exp.	-	9.14
Commission Exp.	0.00	-
Internet & Communication Exp.	0.03	-
Office Exp.	0.45	-
Legal & Professional Fees	1.71	1.02
Repairs & Maintainance Exp.	-	1.07
Rent, Rates & Taxes	1.20	3.35
Miscellaneous Exp.	-	0.07
Loading & Travelling Exp.	0.05	0.23
	8.00	18.65

SCARNOSE INTERNATIONAL LIMITED (CIN: U15400GJ2011PLC064911) 503, SUN SQUARE, NR. HOTEL NEST, OFF. C.G. ROAD, NAVRANGPURA, AHMEDABAD GJ 380006 IN Cash flow Statement for the half year ended 31st March, 2024				
(Amount in Rs Lacs.)				
	FOR THE YEAR 2023-24		FOR THE YEAR 2022-23	
PARTICULAR				
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Taxes & Exceptional Items		1.44		5.70
Adjustments for :				
Depreciation	0.97		2.97	
Interest & Other Financial Charges	0.03		1.73	
Loss on sale of Assets	-		0.77	
Gain on sale of Shares	-			
Interest Received	-27.29	-26.29	(16.20)	(10.72)
Operating Profit before Working Capital Changes		-24.85		(5.03)
a. Decrease /(Increase) in Inventories	-		20.11	
b. Decrease / (Increase) in trade receivable	504.41		(71.58)	
c. Increase / (Decrease) in Current Liabilities	-503.23		(395.44)	
d. (Increase) / Decrease in Other Assets	-36.07	-34.88	(91.76)	(538.66)
Cash Generated from Operation		-59.73		(543.68)
Direct Taxes Paid		-		-
Net Cash from Operating Activities		-59.73		(543.68)
B CASH FLOW FROM INVESTING ACTIVITIES				
a. (Purchase) Sale of Fixed Assets	-		64.01	
b. (Purchase) / Sale of non-current investment	-		-	
c. (Increase) / Decrease in Long term loans and advances	1.85		(109.33)	
d. (Increase) / Decrease in Short term loans and advances				
e. (Increase) / Decrease in Other Non Current Assets	-		(49.14)	
f. Gain on sale of Shares	-		-	
g. Loss on sale of fixed assets	-		(0.77)	
h. Interest & Other Income	27.29		16.20	
Net Cash (used in) / from Investing Activities		29.14		-79.04
C CASH FLOW FROM FINANCING ACTIVITIES				
a. Interest & Finance Cost	-0.03		(1.73)	
b. Proceeds from share issued	-		120.00	
c. Proceeds from share Premium	-		540.00	
d. (Repayments) / proceeds of long term borrowings	-		(1.35)	
Net Cash (used in) / from Financing Activities		-0.03		656.92
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS		-30.62		34.19
Opening Cash & Cash Equivalents		45.28		11.10
Closing Cash & Cash Equivalents		14.66		45.28
Cash and Cash Equivalent Comprises of:				
Cash on Hand		13.46		9.95
Balance with the Bank		1.20		35.34
Total		14.66		45.28
Notes				
1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Notified Accounting Standard-3 on Cash Flow Statements.				
2 Previous years' figures have been regrouped/rearranged to confirm with current years' classifications.				
As per our report of even date attached herewith				
For, S V J K and Associates		For and on behalf of Board of Directors		
Chartered Accountants		Scarnose International Limited		
Firm Registration No. 135182W				
	Vimalkumar Shah		Kunjali Soni	
	Managing Director		Director	
	DIN: 03011067		DIN: 08160838	
	Ankit Singhal			
	Partner		Heli Modi	
	Membership No. 151324		Company Secretary	
	UDIN : 24151324BKESHF4821			
	Date: 22nd May, 2024		Date: 22nd May, 2024	
	Place: Ahmedabad		Place: Ahmedabad	

SCARNOSE INTERNATIONAL LIMITED
NOTES forming part of financial statements for the year ended March 31, 2024

10. PROPERTY, PLANT AND EQUIPMENT

(Rs. In lacs)

Name of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01/04/2023	Additions/ Transfer	Deduction/ Adjustment	As at 31/03/2024	Up to 31/03/2023	During the year	Deduction/ Adjustment	Up to 31/03/2024	As at 31/03/2024	As at 31/03/2023
TANGIBLE ASSETS										
Building	-	-	-	-	-	-	-	-	-	-
Furniture & Fixture	5.00	-	-	5.00	0.83	0.48	-	1.31	3.69	4.17
Office Equipment	0.47	-	-	0.47	0.10	0.09	-	0.18	0.28	0.37
Computer	0.13	-	-	0.13	0.07	0.04	-	0.11	0.02	0.06
Air Conditioner	1.90	-	-	1.90	0.35	0.36	-	0.71	1.19	1.55
Total Tangible Assets	7.50	-	-	7.50	1.34	0.97	-	2.31	5.19	6.16
Previous year Ended 31/03/2023	76.00	0.98	69.48	7.50	2.07	2.97	3.70	1.34	6.16	73.92

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SCARNOSE INTERNATIONAL LIMITED

NOTES forming part of financial statements for the year ended March 31, 2024

26. Earning per Share:

Particulars	For the period ended	
	31.03.2024	31.03.2023
Net profit for the year after tax	0.93	4.34
Number of equity shares outstanding	31,50,150	31,50,150
Weighted average number of equity shares outstanding	31,50,150	28,60,835
Nominal value of the shares (Rs.)	10	10.00
Basic & Diluted Earning per share (Rs.)	0.03	0.15

27. In the opinion of the Board of Directors of the Company and to the best of their knowledge and belief all the current assets, loans & advances have a value on realisation in the ordinary course of the business at least equal to the amount at which they are stated in the Balance Sheet.

28. Related party disclosures:

Related party disclosures, as required by Accounting Standard (AS)18- "Related Party Disclosure" issued by the ICAI are given below:

The Company has identified all the related parties having transactions during the year, as per details given below:

(i) List of related parties

SI No	Name of the key managerial personnel/ Entity	Relationship
1	Mr. Vimalkumar Mishrilal Shah	Promoter & Managing Director
2	Mr. Hitesh Loonia	Promoter
3	Ankita Shah (Resigned on 12th Jan,2024)	Company Secretary
4	Heli Modi (appointed as on 01st May,2024)	Company Secretary
5	Sanjana Parmar (Resigned on 29th March,2024)	CFO

Sr. No.	Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
	Transactions during the year:-		
1	Loan Taken:		
	Hitesh Loonia	1.60	66.65
	Vimalkumar Mishrilal Shah	1.00	9.44
		-	
2	Loan Repaid:		
	Hitesh Loonia	1.93	189.42
	Vimalkumar Mishrilal Shah	1.00	130.65
		-	
7	Remuneration:		
	Vimalkumar Mishrilal Shah	4.80	7.20
	Ankita Shah	1.35	1.80
	Sanjana Parmar	2.25	3.90
		-	
8	Rent Paid:		
	Vimalkumar Mishrilal Shah	1.20	2.40
		-	
9	Reimbursement of Expense		
	Hitesh Loonia	0.01	0.57
		-	

		-	
	Outstanding Balances:	-	
		-	
1	Unsecured Loans:	-	
	Hitesh Loonia	0.00	0.33
	Vimalkumar Mishrilal Shah	0.00	0.00
		-	
3	Sundry Creditors:	-	
	Hitesh Loonia	-	0.18
	Vimalkumar Mishrilal Shah	-	-1.72
	Sanjana Parmar	-	-
	Ankit Shah	-	0.15
		-	
4	Deposit	-	
	Vimalkumar Mishrilal Shah	-	7.00

29. RATIOS:

	Particulars	31.03.2024	31.03.2023	% Change	Reason for change
A)	Current Ratio,	207.93	2.56	8029%	Refer Note -1
B)	Debt-Equity Ratio,	NA	NA	NA	
C)	Debt-Service Coverage Ratio,	NA	5.49	NA	
D)	Return on Equity Ratio,	0.10%	0.43%	-78%	Refer Note -2
E)	Inventory turnover ratio,	NA	NA	NA	
F)	Trade Receivables turnover ratio,	2.58	3.95	-35%	Refer Note -3
G)	Trade payables turnover ratio,	749.10	13.30	5534%	Refer Note -4
H)	Net capital turnover ratio,	1.75	5.21	-66%	Refer Note -5
I)	Net profit ratio,	0.07%	0.11%	-37%	Refer Note -6
J)	Return on Capital Employed,	0.15%	0.74%	-79%	Refer Note -7
K)	Return on Investment,	0.10%	0.43%	-78%	Refer Note -8

Notes:

- 1 Current Ratio: It is primarily increased due to decrease in short term borrowings.
- 2 Return on Equity Ratio: It is decreased as Company's profitability is decreased on account of decrease in turnover.
- 3 Trade Receivables turnover ratio: It is being decreased due to decrease in turnover
- 4 Trade payables turnover ratio : It is increased due to decreased in net purchase
- 5 Net capital turnover ratio: It is being decreased due to decrease in turnover
- 6 Net profit ratio: It is decreased as Company's profitability is decreased on account of decrease in turnover.
- 7 Return on Capital Employed : It is primarily decreased due to decreased in net profit
- 8 Return on Investment : It is primarily decreased due to decreased in net profit

	Particulars	Numerator	Denominator
A)	Current Ratio,	Current Assets	Current Liabilities
B)	Debt-Equity Ratio,	Total Liabilities	Total Shareholder's Equity
C)	Debt-Service Coverage Ratio,	EBITDA-CAPEX	Debt Service (Int+Principal)
D)	Return on Equity Ratio,	Net Income	Shareholder's equity
E)	Inventory turnover ratio,	Cost of Goods sold	Average Inventory
F)	Trade Receivables turnover ratio,	Net credit sales	Average Trade Receivable
G)	Trade payables turnover ratio,	Net credit Purchase	Average Trade Payable
H)	Net capital turnover ratio,	Sales	Working Capital
I)	Net profit ratio,	Net Profit	Sales
J)	Return on Capital Employed,	Earnings before interest and tax	Capital Employed
K)	Return on Investment,	Net Profit	Investment

- 30 Micro and Small Scale Business Enterprises: The management has initiated the process of identifying enterprises which have been providing goods and services to the company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprise Development Act, 2006. Accordingly, the disclosure requirement here under is not furnished
- 31 Previous year figures has been regrouped wherever necessary.
- 32 Figures have been rounded off to nearest Lakhs.
- 33 **Utilisation of Borrowed Fund or Equity Capital and purpose:**
The Company has not taken any Loan from Bank or Financial Institution during the period under review.
- 34 Title deeds of immovable Property not held in name of the Company - Not Applicable
- 35 **Compliance with number of layers of companies:** . The Company does not have any Subsidiary Company
- 36 **Registration of charges or satisfaction with Registrar of Companies** – There is no charge created by the Company
- 37 **Relationship with Struck off Companies:** Not Applicable
- 38 **Wilful Defaulter :** The Company has not been declared as Wilful Defaulter by any Bank or Financial Institutions or Government or any Government Authority
- 39 **Details of Benami Property held :** No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- 40 **Capital WIP :** Not Applicable
- 41 **Intangible assets under development :** Not Applicable
- 42 **Segment Reporting :** Not Applicable
- 43 In the opinion of the Board; Current Assets, Loans and Advances are approximately of the value stated if realized in the ordinary course of business. The provisions for depreciation and all known liabilities are adequate and not in excess of the amount considered reasonably necessary.
- 44 Previous year's figures have been regrouped / rearrange or reclassified, wherever necessary to conform to the current years grouping or reclassification

For, S V J K and Associates
Chartered Accountants
Firm Registration No. 135182W

For and on behalf of Board of Directors
Scarnose International Limited

Ankit Singhal
Partner
Membership No. 151324
UDIN : 24151324BKESHF4821

Vimalkumar Shah
Managing Director
DIN: 03011067

Kunjal Soni
Director
DIN: 08160838

Heli Modi
Company Secretary

Date: 22nd May, 2024
Place: Ahmedabad

Date: 22nd May, 2024
Place: Ahmedabad