

FARCO FOODS PRIVATE LIMITED

Regd. Off: 332, Shervani Nagar, Sulem Sarai, Harwara, Prayagraj- 211 015

CIN: U15111UP1995PTC019155

Email Id: shervaniind@rediffmail.com, **Phone:** +91 7311128115

NOTICE

Notice is hereby given that the 24th Annual General Meeting of the Members of the Company will be held on Monday, the 30th September, 2019 at 332, Shervani Nagar, Sulem Sarai, Harwara, Prayagraj- 211015, the Registered Office of the Company at 2.30 P.M. to transact the following business: -

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statement of the Company for the year ended 31st March, 2019 together with the Director's Report and Auditor's Report thereon.
2. To ratify the appointment of M/s Gupta Vaish & Co. Chartered Accountants (Firm Registration No. 005087C) as the Statuary Auditors and to fix their remuneration.
3. To appoint a Director in place of Mr. Saleem Iqbal Shervani (DIN: 00023909) who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Nadesan T. (DIN: 01069445) who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS

5. To confirm appointment of additional director Mr. Sajid Husain Siddiqui (DIN: 06714152) as director on the Board of the Company, not liable to retire by rotation and in this regard to consider and, if thought fit, to pass, with or without modification(s) the following resolutions as an **Ordinary Resolution**:
"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Sajid Husain Siddiqui (DIN: 06714152) who has been appointed as Additional Director of the Company pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, and being eligible, offers himself for appointment and in respect of whom the Company has received a notice in writing from a member, pursuant to the provisions of Section 160 of the Companies Act, 2013 signifying his intention to propose the candidature of

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Mr. Sajid Husain Siddiqui (DIN: 06714152) for the office of Director, be and is hereby appointed as a Director of the Company, not liable to retire by rotation.

By the Order of the Board
For Farco Foods Private Limited


Syed Zafar Subhan
Director
DIN: 01104156

Place : Prayagraj

Date : 10/08/2019

Note: -

1. A MEMBER ENTITLED TO ATTEND & VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT TO BE A MEMBER. THE PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THEN 48 HOUR Pursuant to section 105 of the Companies Act, 2013, A person can act as a proxy on behalf of not more then 50 members holding in aggregate, not more then 10 percent of the total share capital of Company may appoint a single person as Proxy, who shall not act as a proxy for any other member. The Instrument of proxy, in order to be effective, should be deposited at the registered office of the company, duly completed and signed, not later than 48 Hours (Sunday is included in computation of 48 hours) before the commencement of the meeting. A proxy form is annexed to this report. Proxies submitted on behalf of limited companies, societies etc, must be supported by an appropriate resolution/ authority, as applicable.

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ANNEXURE TO NOTICE

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 05.

The Board of Directors of the Company at its meeting held on 10th August, 2019 approved the appointment of Mr. Sajid Husain Siddiqui (DIN: 06714152), who has signified his consent to act as a Director, if appointed as Additional Director of the Company with immediate effect.

The Board further propose to confirm his appointment as a Director not liable to rotation in the ensuing Annual General Meeting of the Company.

Mr. Sajid Husain Siddiqui is a Postgraduate and assigned to look after our new venture of Goat Farming activity in tehsil Koraon of Distt Prayagraj.

By the Order of the Board
For Farco Foods Private Limited



Syed Zafar Subhan
Director

DIN: 01104156

Place: Prayagraj

Date: 10th August, 2019

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DIRECTOR'S REPORT

The Directors submit the Annual Report together with the Audited Financial Statements for the year ended on 31st March, 2019.

<u>FINANCIAL RESULT</u>	Rs.
Revenue from Operation	5,44,29,575
Profit before depreciation	77,60,793
Depreciation	9,35,327
Profit after depreciation	68,25,466
Current year tax/Earlier year tax	17,71,484
Profit after tax	50,53,982

DIVIDEND

The Company is not in position to propose any dividend for the year ended on 31st March, 2019 due to carry forward losses.

OPERATIONS REVIEW

During the year under review the company has continued with manufacturing of biscuits on job work basis for M/s Surya Foods and Agro Limited for their 'Priya Gold 'brand. During the year under review the Company produced 7005 MT of biscuits and earned profit of Rs 50.54 lacs.

The Company has decided to diversify its business activity and has chosen to venture into animal husbandry field, specifically goat farming. For this purpose, the Company has purchased total of 3.87 hectare of land in tehsil Koraon of Distt Prayagraj.

DISCLOSURES

a. Subsidiary Company

Your company has no subsidiary company.

b. Internal Financial Controls

The company has an adequate system of internal control to ensure compliance with policies and procedures.

c. Human Resource –Management and Industrial Relation

The company has created a very cordial relationship with the employees who give full support to the management in all kinds of endeavors.

d. Research and Development

The company is pursuing production on job work basis accordingly scope for research and development activities is very restricted.

e. Material changes

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No material changes have taken place between the date of attached financial statements and this report which may affect the financial position of the Company.

There was no transaction of material nature with the Directors or the management or their relatives during the year under review.

f. Significant and Material Orders passed by Regulators, Tribunals or Courts

No significant or material orders were passed by the Regulators or Courts or Tribunals during the year under review which may have a impact on the going concern status of the Company in future.

g. Corporate Social Responsibility

The provisions of section 135 of the Companies Act, 2013 are not applicable in our case hence information in respect of the same has not been compiled.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as Annexure -A.

BOARD MEETINGS

The calendar of Meetings is prepared and circulated in advance to the Directors. During the year, 4 nos. Board Meetings were convened respectively on 28th May, 2018, 06th August, 2018, 13th November, 2018 and 29th January, 2019 in the manner prescribed in the Companies Act, 2013.

EXTRA ORDINARY GENERAL MEETING

During the year, the Board on its board meeting held on 29th May, 2018, proposed to alter MOA of the Company including Liability Clause along with alteration in object clause to start new business activity of goat farming and allied activities.

Taking into consideration all facts and circumstances, the Board decided to convene an Extra Ordinary General Meeting of the Company on Saturday, 23rd June, 2018 at 11.00 A.M. at Prayagraj wherein the Shareholders approved the resolution with requisite majority.

DIRECTOR'S RESPONSIBILITY STATEMENT

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

(i) in the preparation of the Annual Accounts, the applicable accounting standards have been followed;

(ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit and loss of the Company for that period;

(iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities:

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- (iv) the Directors had prepared the Annual Accounts on a going concern basis:
- (v) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS REPORT

The observations of the Statutory Auditors in their report are appropriately dealt with in notes forming part of Financial Statement.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 & in pursuance of SEBI Circular issued on February 08, 2019 as CIR/CFD/CMD1/27/2019 in respect of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Secretarial Audit is applicable on the Company. Consequently, The Company has appointed M/s Siddiqui & Associates, Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the Financial Year 2018-19. The Report of Secretarial Audit for the year 2018-19 is annexed herewith as Annexure- B in form MR-3 and is to be treated as integral part of this report.

RELATED PARTY TRANSACTIONS

There were no related party transactions between the Company and the Promoters, Key Managerial Personnel or other designated persons which may have a potential conflict with the Interest of the Company. All related party transactions which were entered into during the financial year were in the Ordinary Course of business and are disclosed at No. 22 attached to the Balance Sheet.

PARTICULARS OF LOANS GUARANTEES OR INVESTMENTS

The Company has not given any loan, guarantee or made investment within the purview of section 186 of the Companies Act, 2013.

STATUTORY AUDITORS

M/s Gupta Vaish & Co. Chartered Accountants, Kanpur have been appointed as the statutory auditors of the Company at the 22nd Annual General Meeting for the period of five years till 27th Annual General Meeting in 2022 subject to ratification by members in each AGM.

They have confirmed their eligibility under section 141 of the Companies Act, 2013 and the rules framed there under. The ratification proposal is placed before the members for approval.

DEPOSITS

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

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CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING & OUTGO

Due to the nature of business / operations there is nothing to report about the conservation of energy and technology absorption during the year. There is no foreign exchange earnings and outgo.

RISK MANAGEMENT

In terms of the Companies Act, 2013 the Company has developed and implemented the Risk Management Policy and the Boards reviews the same periodically.

DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company Mr. Saleem Iqbal Shervani (DIN: 00023909) and Mr Mohd. Aslam Sayeed (DIN: 06652348) are the Directors retiring by rotation and being eligible offer themselves for re-appointment.

In compliance of section 161 of the companies act, 2013 regarding appointment of Mr. Sajid Husain Siddiqui (DIN: 06714152), the Board in the meeting held on 10.08.2019 appointed him as an Additional Director of the Company till the date of this Annual General Meeting. The Board recommends the appointment of Mr. Sajid Husain Siddiqui (DIN: 06714152) as Director of the Company not liable to retire by rotation.

None of the Director's has any pecuniary relationship or material transactions with the Company. The Directors recommend all the resolutions placed before the Members relating to Directors for their approval.

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

The Company's policy on appointment and remuneration of the managerial personnel is decided by the management with the approval of the Board Members in Board Meeting.

INDUSTRIAL RELATION

Industrial relations remained satisfactory during the period under review.

ACKNOWLEDGEMENTS

Your Directors wish to convey their deep sense of appreciation for the continued support, and co-operation extended by bankers, Central and State Government and all other stakeholders. The Directors

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also wish to place on record their sincere appreciation for the commitment and enthusiasm of the employees for the Company.

For and on behalf of the Board,



S. Z. Suthan
Director
DIN: 01104156



Nadesan T.
Director
DIN: 01069445

Place: Prayagraj

Date: 10th August, 2019

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Anexure A

FORM No. MGT-9

Extract of Annual Return

as on Financial Year ended on 31st March, 2019

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

1. REGISTRATION AND OTHER DETAILS

1	CIN	U15111UP1995PTC019155
2	Registration Date	12.12.1995
3	Name of the Company	FARCO FOODS PRIVATE LIMITED
4	Sub-Category of the Company	Private Limited
5	Address of the Registered office and contact details	332, Shervani Nagar, Sulem Sarai, Harwara, Prayagraj- 211015 Phone : +91 7311128115, Fax : 0532-2436928 e-mail : shervaniind@rediffmail.com
6	Whether listed company	No
7	Name and Address of Registrar & Transfer Agents, if any	N A

2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10% or more of the total turnover of the Company shall be stated)

Sr.No	Name and Description of main products/ services	NIC Code of the Product / service	% to total turnover of the Company
1	Manufacture of Biscuits	10712	100%

3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN / GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable section
1.	Shervani Industrial Syndicate Limited, Shervani Nagar, Sulem Sarai, Harwara, Prayagraj	L45202UP1948PLC001891	Holding	100.00 %	2(46)

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Funds									
i)Other (Specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B) (1)	0	0	0	0	0	0	0	0	0
2.Non-Institutions									
a)Body Corporate									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individual									
i)Individual share holders holding nominal share capital upto Rs 1 lac	0	0	0	0	0	0	0	0	0
ii)Individual share holders holding nominal share capital in excess of Rs 1 lac	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
a)Non-Resident Indians	0	0	0	0	0	0	0	0	0
b) Foreign National	0	0	0	0	0	0	0	0	0
c) Clearing Members	0	0	0	0	0	0	0	0	0
Sub-Total (B) (2)	0	0	0	0	0	0	0	0	0
Total Public shareholding	0	0	0	0	0	0	0	0	0
B = B (1) + B(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs and ADRs	0	0	0	0	0	0	0	0	0
Grand Total		900000	900000	100.00		900000	900000	100.00	

(ii) Share holding of Promoter **

Sr. No	Share Holder's Name	Shares at the beginning of the year			Shares at the end of the year			% change in share holding during the year
		No. of Share	% of total shares of the Company	% of shares pledged/encumbered to total shares	No.of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	
1	Shervani Industrial Syndicate Limited	899900	99.99	0.00	899900	99.99	0.00	Nil
2	Syed Zafar Shubhan	100	0.01	0	100	0.01	0	Nil
	Total	900000	100.00	0.00	900000	100.00	0.00	Nil

** The details of the shares held by persons on behalf of Promoters is herewith annexed separately.

(iii) Change in Promoters Share Holding (please specify, if there is no change)-

	Share holding at the beginning of the year		Cumulative shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company

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At the beginning of the year	No Change in promoter's shareholding during the year
Date – wise increase /decrease in Promoters share holding during the year specifying the reasons for increase /decrease (e.g. allotment/ transfer/bonus/sweat equity etc.)	
At the end of the year	

(iv) **Shareholding pattern of top ten shareholders (other than Director, Promoters and holders of GDRs and ADRs)**

Sr. No	For each of top ten shareholder	Share holding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Shervani Industrial Syndicate Ltd At the beginning of the year Change during the year At the end of the year	NO CHANGE			
2	Syed Zafar Subhan At the beginning of the year Change during the year At the end of the year	NO CHANGE			

(v) **Shareholding of Director's and Key Managerial person**

Sr.No.	Shareholding of each Director and Key Managerial personnel	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Mr. Syed Zafar Subhan, Director At the beginning of the year No change during the year At the end of the year	100*	0.01	100	0.01
2	Mr. Nadesan T, Director At the beginning of the year No change during the year At the end of the year	0	0	0	0
3	Mr. S I Shervani, Director At the beginning of the year No change during the year At the end of the year	0	0	0	0
4	Mr. Aslam Sayeed, Nominee Director At the beginning of the year No change during the year At the end of the year	0	0	0	0

- Shares are held on behalf of the Promoter Company

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(v) INDEBTEDNESS

Indebtedness of the Company including interest) outstanding /accrued but not due for payment

	Secured loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	6,39,72,861	-	6,39,72,861
1)Principal	-	6,39,72,861	-	6,39,72,861
2)Interest due but not paid	-	-	-	-
3)Interest accrued but not due	-	-	-	-
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	6,39,72,861	-	6,39,72,861
1)Principal	-	6,39,72,861	-	6,39,72,861
2)Interest due but not paid	-	-	-	-
3)Interest accrued but not due	-	-	-	-
Total (1+2+3)	-	6,39,72,861	-	6,39,72,861

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Director and / or Manager

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
1	Gross Salary (Rs in lac) a) Salary as per provisions of sec. 17(1) of Income Tax Act, 1961 b) Value of perquisites u/s 17(2) of Income Tax Act, 1961 c) Profits in lieu of Salary u/s 17(3) of Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission -- as % of Profit (1%) -- others specify	-	-	-	-
5	Others , please specify Fees for attending Board meeting	-	-	-	-
	Total	-	-	-	-

B. Remuneration to other director's

Sr. No	Particulars of Remuneration	Name of Director				Total Amount (Rs.)
		Mr Syed Zafar Subhan, Director	Mr. Nadesan T Director	Mr. S I Shervani Director	Mr. M A Sayeed, Nominee Director	
1	Independent Director					
	Fee attending Board /Committee Meeting	-	-	-	-	-
	Commission	-	-	-	-	-
	Other (Specify)	-	-	-	-	-
	Total (1)	-	-	-	-	-

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2	Other Non-Executive Director					
	Fee attending Board Committee Meeting	40000	30000	40000	40000	150000
	Commission	-	-	-	-	-
	Other (Specify)	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total B = (1+2)					
	Total Managerial Remuneration**	40000	30000	40000	40000	150000

C. Remuneration to key Managerial Personnel other than MD/ WTD/ Manger

Sr. No.	Particulars of Remuneration	Key Managerial personnel			Total
		CEO	Company Secretary	CFO	
1	Gross Salary (Rs in lac) a) Salary as per provisions of sec. 17(1) of Income Tax Act, 1961 b) Value of perquisites u/s 17(2) of Income Tax Act, 1961 c) Profits in lieu of Salary u/s 17(3) of Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission -- as % of Profit (1%) -- others specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty	Authority RD/NCLT/COURT	Appeal made If any Give details
A Company					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment					
Compounding					
B Directors					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment					
Compounding					
C Other Officer in Default					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment					
Compounding					

Siddiqui & Associates

Company Secretaries

Phone : 011-41401301, Mobile : 98110-35621 • E-mail : info@siddiassociates.com, primekoss@hotmail.com
Website : http://www.siddiassociates.com

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March 2019

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

To,
The Members,
Farco Foods Private Limited
Shervani Nagar
Sulem Sarai Harwara
Prayagraj 211015 UP

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Farco Foods Private Limited** (hereinafter called the Company) having CIN No. **U15111UP1995PTC019155** being the material subsidiary of **Shervani Industrial Syndicate Limited**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of **Farco Foods Private Limited**, books, papers, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March 2019** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Farco Foods Private Limited** for the financial year ended on **31st March 2019** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;



- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB);
The Company has complied with the provisions, rules & regulations of FEMA to the extent applicable. The Company is not having any FDI, ODI and ECB during the period.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable**
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **Not Applicable**
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable**
 - d. The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014; **Not Applicable**
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable.**
 - 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**
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable** and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable**
- vi. The Company has also complied with various provisions of Labour Laws, Environment Laws and other related laws to the extent applicable to the Company.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. **Not Applicable**

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



We further report that

The Board of Directors of the Company is duly constituted with one Independent Director nominated by Holding Company. There was no change in the composition of the Board of Directors during the period under review.

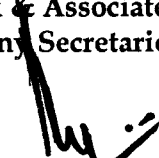
Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

Place: New Delhi
Date: 10.08.2019



for Siddiqui & Associates
Company Secretaries


K. O. SIDDIQUI
FCS 2229; CP 1284

K. O. SIDDIQUI
FCS 2229; CP 1284
SIDDIQI & ASSOCIATES
COMPANY SECRETARIES
D-49, SARITA VIHAR
NEW DELHI - 110 076

INDEPENDENT AUDITOR'S REPORT

To The Members of FARCO FOODS PRIVATE LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of FARCO FOODS PRIVATE LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and the Profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

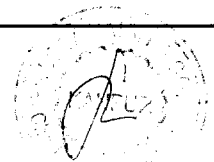
We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, 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 financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

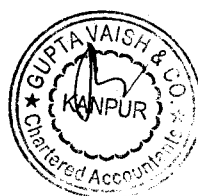
Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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.

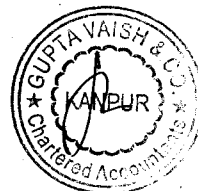
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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.

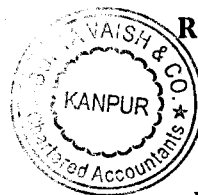
As required by Section 143(3) of the Act, we report that:



- (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 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 Indian 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 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Date: Prayagraj

Place: 25-05-2019



For Gupta Vaish & Co.
Chartered Accountants
Registration Number: 005087C

Rajendra Gupta
Rajendra Gupta
(PARTNER)

Membership Number: 073250

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

Re: FARCO FOODS PRIVATE LIMITED

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March, 2019, we report that:

i. In respect of its Fixed Assets:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of the immovable properties are held in the name of the Company.

ii. In respect of its Inventories:

The company has no inventories. Therefore, the provisions of paragraph 3 (ii) of the Companies (Auditor's Report) order, 2016, are not applicable to the company.

iii. In respect of loans, secured or unsecured, granted by the Company to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013, according to the information and explanations given to us :

- (a) The Company has not granted any loan to companies, firms other parties covered in the register maintained under section 189 of the Companies Act, 2013.

iv. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

v. In our opinion and according to information and explanations given to us, the company has not accepted any deposits within the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013. Therefore, the provisions of paragraph 3 (v) of the Companies (Auditor's Report) order, 2016, are not applicable to the company.

vi. The Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 the Companies Act, 2013 for the products of the company.



vii. According to the information and explanations given to us, in respect of statutory and other dues:

(a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and any other statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues were in arrear as at 31st March, 2019 for a period more than six months from the date they became payable.

(b) According to the records of the company, there were no dues of income tax, sales tax, service tax, duty of custom, duty of excise, value added tax and cess which have not been deposited on account of any dispute.

viii. In our opinion and according to the information and explanations given to us, the Company has not taken any loan from bank and financial institution and therefore provisions of paragraph 3 (viii) of the Companies (Auditor's Report) order, 2016, are not applicable to the company.

ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loan during the year. Accordingly, provisions of paragraph 3(ix) of the Companies (Auditor's Report) order, 2016, are not applicable to the company.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. Section 197 of the Act is not applicable to a private company, and, accordingly, provisions of paragraph 3(xi) of the Companies (Auditor's Report) order, 2016, are not applicable to the company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, provisions of paragraph 3(xii) of the Companies (Auditor's Report) order, 2016, are not applicable to the company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transaction with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.



- XV. According to the information and explanations given to us and on our examination of the records of the Company, the Company has not entered into non cash transactions with directors or person connected with them. Accordingly provisions of paragraph 3(xv) of the Companies (Auditor's Report) order, 2016, are not applicable to the company.
- XVI. The Company is not required to be registered under 45 -IA of the Reserve Bank of India Act 1934.

Date: Prayagraj

Place: 25-05-2019



For Gupta Vaish & Co.
Chartered Accountants
Registration Number: 005087C

Rajendra Gupta
Rajendra Gupta
(PARTNER)

Membership Number: 073250

Annexure - B to the Auditors' 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 FARCO FOODS PRIVATE LIMITED ("the Company") as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

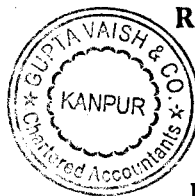
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, 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.

Date: Prayagraj

Place: 25-05-2019



**For Gupta Vaish & Co.
Chartered Accountants
Registration Number: 005087C**

Rajendra Gupta

**Rajendra Gupta
(PARTNER)**

Membership Number: 073250

FARCO FOODS PRIVATE LIMITED
Balance Sheet as at 31st March, 2019

		Note	As At 31st March, 2019	As At 31st March, 2018
ASSETS				
Non-Current Assets:				
Property, Plant and Equipment		2	2,29,99,603	83,19,900
Deferred Tax Asset (Net)		3	-	-
Total Non Current Assets			2,29,99,603	83,19,900
Current Assets:				
Financial Assets:				
Biological Asset			5,83,250	-
Trade Receivables		4	52,28,276	41,55,260
Cash and cash equivalents		5	98,85,732	1,84,85,217
Other Bank Balances		6	89,49,997	83,88,550
Other Financial Assets		7	7,06,212	9,19,017
Current Tax Assets (Net)			11,28,452	18,52,385
Other current assets		8	8,77,924	5,29,930
Total Current Assets			2,73,59,843	3,43,30,359
TOTAL ASEETS			5,03,59,445	4,26,50,259
EQUITY AND LIABILITIES				
Equity:				
Equity Share Capital		9	90,00,000	90,00,000
Other Equity		10	(3,08,91,762)	(3,59,45,744)
Total Equity			(2,18,91,762)	(2,69,45,744)
Liabilities:				
Non-Current Liabilities:				
Deferred Tax Liabilities (Net)		3	4,95,383	4,64,839
Total Non Current Liability			4,95,383	4,64,839
Current Liabilities:				
Financial Liabilities				
Borrowings		11	6,39,72,861	6,39,72,861
Trade payables		12	39,61,010	14,54,546
Other current liabilities		13	38,21,953	37,03,697
Total Current Liability			7,17,55,824	6,91,31,104
TOTAL EQUITY AND LIABILITY			5,03,59,445	4,26,50,259

TOTAL EQUITY AND LIABILITY

Significant Accounting Policies & Notes to Financial Statements

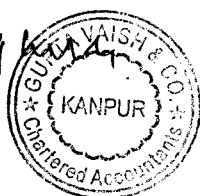
1-27

As per our report of even date attached

For Gupta Vaish & Co.

Chartered Accountants

Rajendra Gupta
Rajendra Gupta
Partner



Place: Prayagraj
Date: 25.05.2019

Syed Zafar Subhan
Syed Zafar Subhan
Director
DIN: 01104156

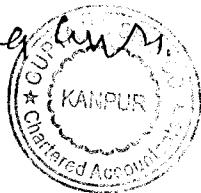
T. Nadesan
T. Nadesan
Director
DIN: 01069445

FARCO FOODS PRIVATE LIMITED

Statement of Profit and Loss for the Year ended 31st March, 2019


	Note	Year ended 31st March, 2019	Year ended 31st March, 2018
Revenue From Operations	14	5,44,29,575	3,86,98,866
Other Income	15	13,65,833	19,62,979
Total Income		5,57,95,408	4,06,61,845
EXPENSES:			
Employee benefit expenses	16	1,98,94,754	1,33,73,320
Depreciation and amortization expense	17	9,35,327	8,26,208
Other expenses	18	2,81,39,861	2,25,35,492
Total Expenses		4,89,69,942	3,67,35,020
PROFIT BEFORE EXCEPTIONAL ITEMS:		68,25,466	39,26,825
PROFIT BEFORE TAX:		68,25,466	39,26,825
Tax Expense:			
(1) Current tax		17,41,000	66,360
(2) Deferred Tax		30,484	13,33,744
PROFIT FOR THE YEAR		50,53,982	25,26,721
OTHER COMPREHENSIVE INCOME:			
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		50,53,982	25,26,721
Earnings per equity share (face value of Rs. 100/- each)	20		
Basic and Diluted		5.62	2.81
Significant Accounting Policies & Notes to Financial Statements As per our report of even date attached For Gupta Vaish & Co. Chartered Accountant	1-27		

Rajendra Gupta
Partner



Place: Prayagraj
Date: 25.05.2019


Syed Zafar Subhan
Director
DIN: 01104156


T. Nadesan
Director
DIN: 01069445

Notes on Financial Statements for the year ended 31st March, 2019

A Statement of Changes in Equity for the year ended 31st March, 2019

Equity Share Capital	Balance at the beginning of the reporting period
For the year ended 31st March, 2018	90,00,000
For the year ended 31st March, 2019	90,00,000

B Other Equity	Retained Earnings
	TOTAL
Balance as at 31st March, 2018	(3,59,45,744)
Profit for the year	50,53,982
Balance as at 31st March, 2019	(3,08,91,762)

	As At 31st March, 2019	As At 31st March, 2018
3 Deferred Tax Assets (Net)		
<u>Deferred Tax Liabilities</u>		
Related to Property, Plant and Equipment	4,95,383	4,64,899
<u>Deferred Tax Assets</u>		
Related to Property, Plant and Equipment	-	-
Total	4,95,383	4,64,899

Movement in deferred tax liabilities/assets balances:
(Charged/ Credit to Statement of Profit & Loss)

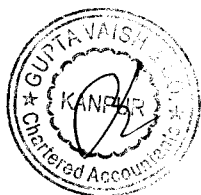
Opening Balance	(4,64,899)	8,68,845
Property, Plant and Equipment	(30,484)	(13,33,744)

4 Trade Receivables		
Trade Receivables Considered good, Secured	52,28,276	41,55,260
Trade Receivables Considered good, Unsecured	-	-
Trade Receivables having Significant increase in credit risk	-	-
Trade Receivables- Credit Impaired	-	-
Total	52,28,276	41,55,260

5 Cash and Cash Equivalents		
Balance with Banks		
In current account	13,68,527	51,73,950
In Fixed Deposit (Including Rs.2341965 Pledged with bank in current year, Rs.2200000 in previous year)	84,68,229	1,31,77,426
Cash on Hand	48,976	1,33,841
Total	98,85,732	1,84,85,217

6 Other Bank Balances		
Balance In Fixed Deposits with bank (Pledged With Bank for bank commitment in Current year: Rs.1803422 in Previous Year: Rs. 1657623)	89,49,997	83,88,550
Total	89,49,997	83,88,550

7 Other Financial Assets		
Interest accrued on FDR with Bank	7,06,212	9,19,017
Total	7,06,212	9,19,017



8 Other Current Assets		
(Unsecured and Considered Good)		
Security Deposits	2,40,000	2,40,000
Prepaid expenses	18,197	19,535
Advances Recoverable in cash or in Kind	6,19,727	2,70,395
Balance with excise Department	-	-
Total	8,77,924	5,29,930

9 Equity Share Capital		
Authorised:		
1000000 Equity Shares of Rs.10/- each	1,00,00,000	1,00,00,000
	1,00,00,000	1,00,00,000

Issued, Subscribed & Paid Up

900000 Equity Shares of Rs.10/- each	90,00,000	90,00,000
Total	90,00,000	90,00,000

The reconciliation of the number of shares outstanding is set out below:

Particulars	As At 31st	As At 31st
	March, 2019	March, 2018
	No. of Shares	No. of Shares
Equity Shares at the Beginning of the year	9,00,000	9,00,000
Equity Shares at the end of the year	9,00,000	9,00,000

The details of Shareholders holding more than 5% shares:

Name of the Shareholders	As At 31st March, 2019		As At 31st March, 2018	
	No. of Shares	% Held	No. of Shares	% Held
Shervani Industrial Syndicate Ltd.*	9,00,000	100.00%	9,00,000	100.00%

*(Including One Nominee Shareholder holding 100 shares)

10 Retained Earnings	As At 31st	As At 31st
	March, 2019	March, 2018
Opening Balance	(3,59,45,744)	(3,84,72,465)
Add:- Net Profit for the year	50,53,982	25,26,721
Balance at the end of the year	(3,08,91,762)	(3,59,45,744)
Total	(3,08,91,762)	(3,59,45,744)

Current liability:

Financial Liability :

As At 31st	As At 31st
March, 2019	March, 2018

11 Borrowings		
Unsecured Loan from Related Party	6,39,72,861	6,39,72,861
Total	6,39,72,861	6,39,72,861

12 Trade Payables	As At 31st	As At 31st
	March, 2019	March, 2018
Dues towards Medium Enterprises and small enterprises	-	-
Dues towards others	39,61,010	14,54,546
Total	39,61,010	14,54,546

13 Other Current Liabilities	As At 31st	As At 31st
	March, 2019	March, 2018
GST Payable	7,31,288	6,44,646
Security Deposits	5,00,000	5,00,000
Other Payables *	25,90,665	25,59,051
*(Includes Employee Liabilities & Statutory Dues etc)		
Total	38,21,953	37,03,697



Notes on Financial Statements for the year ended 31st March, 2019

	Year ended 31st March, 2019	Year ended 31st March, 2018
14 Revenue from Operations		
Sale of product(Job Charges)	54429575	3,86,98,866
Other Operating Revenues:		
Compensation	-	-
Total	5,44,29,575	3,86,98,866
15 Other Income		
Interest Received	1365833	14,61,352
Excise Duty Refund	-	4,96,905
Misc. Receipt	-	4,722
Total	13,65,833	19,62,979
16 Employee Benefits Expense		
Salaries and Wages	19254649	1,30,22,593
Contribution to Provident & Other Funds	465117	2,09,649
Workmen & Staff Welfare Expenses	174988	1,41,078
Total	1,98,94,754	1,33,73,320
17 Depreciation and Amortisation Expenses :		
Depriciation	935327	8,26,208
Total	9,35,327	8,26,208
18 Other Expenses		
<i>Manufacturing Expenses:</i>		
Power & Fuel	20750110	1,45,69,428
Repair to Building	198026	2,25,577
Repair to Plant & Machinery	1092264	11,03,566
Other Manufacturing Expenses	261785	1,42,751
Total (A)	2,23,02,185	1,60,41,322
<i>Establishment Expenses:</i>		
Audit Fee	29500	29,500
General Expenses	306817	2,35,748
Rent	348000	3,48,000
Sundry Balances Written off	0	-
Directors' Sitting Fee	150000	1,60,000
Professional Charges	3810700	37,63,400
Misc. Expenses	947087	19,57,522
Total (B)	55,92,104	64,94,170
<i>Goat Farming Expenses:</i>		
Medicine Expenses	17398	-
Cartage & Other expenses	12917	-
Fooding expenses	215257	-
Total (C)	2,45,572	-
Total (A+B)	2,81,39,861	2,25,35,492



	Year ended 31st March, 2019	Year ended 31st March, 2018
19 Reconciliation of Effective Tax Rate:		
The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit Before Tax	6825463	39,26,825
Applicable Tax Rate	26.00%	25.75%
Computed Tax Expense	1774620.38	10,11,157
Tax effect of:		
Deduction (Depreciation)	1,31,267.00	1,82,046
Other Deductions (Unabsorbed Depreciation)	-	34,87,068
	<u>66,94,196</u>	<u>2,57,711</u>
Current Tax Provisions (A)	<u>17,41,000</u>	<u>66,360</u>
Incremental Deferred Tax Liability on account of Tangible and Intangible Assets	30,484.00	13,33,744
Deferred Tax Provisions (B)	<u>30,484</u>	<u>13,33,744</u>
Tax Expenses recognised in Statement of Profit and Loss (A+B)	17,71,483.96	<u>14,00,104</u>
Effective Tax Rate	<u>25.95%</u>	<u>35.65%</u>

20 Earning Per Share (EPS):

Net Profit After Tax As Per Statement Of Profit And Loss Attributable To Equity Shareholder As Numerator For Calculating Basic & Diluted EPS:	50,53,982	25,26,721
Number Of Equity Share Used As Denominator For Calculating Basic & Diluted EPS	9,00,000	9,00,000
Basic & Diluted Earning Per Share In Rupees	5.62	2.81
Face Value Per Equity Share In Rupees	10	10

21 Contingent Liability

There is no contingent liability as at 31st March, 2018

22 Related party disclosures as required under IND-AS-24 are given below:

Holding Company:

Shervani Industrial Syndicate Ltd.

Directors

Mr. Saleem Iqbal Shervani (Non Executive Director)
 Mr. Syed Zafar Subhan (Non Executive Director)
 Mr. T. Nadesan, Director (Non Executive Director)
 Mr. Mohd. Aslam Sayeed (Nominee Director)
 and their relatives

Related parties with whom transactions have taken place:

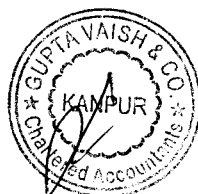
Sitting Fee

	Holding Company	Directors
Current Year	-	1,50,000
(Previous Year)	-	(1,60,000)

Unsecured Loan:

Balance at the beginning and at the end of the year:

	Holding Company	Directors
Current Year	6,39,72,861	-
(Previous Year)	(6,39,72,861)	-



23 Balance of personal account of Debtors, Creditors, Unsecured Loans, Loans and advances , Security Deposits and other had not been confirmed and are subject to confirmation by the parties.

24 Gratuity and leave encashment payable to employees are accounted for on payment basis.

25 Provision for interest on unsecured loans has not been provided in the books.

26 The Company has not received the required information from Suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/ payable as required under the said Act have not been made.

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

