

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 31st Annual General Meeting of the Members of the Company will be held on Wednesday, the 20th August, 2025 at 332, Shervani Nagar, Sulem Sarai, Harwara, Prayagraj-211015, at the Registered Office of the Company at 11.30 A.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, 2025 together with the Director's Report and Auditor's Report thereon.
2. To ratify the appointment of M/s P. L. Tandon & Co. Chartered Accountants (Firm Registration No. 000186C) as the Statutory Auditors and to fix their remuneration.
3. To appoint a Director in place of Mr. Nadesan Thekkekara (DIN: 01069445) who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Syed Zafar Subhan (DIN: 01104156) who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint M/s Siddiqui & Associates, Company Secretary (Firm Registration No. S1988DE004300) as Secretarial Auditor of the Company from financial year 2025-26 to 2029-30.

By the Order of the Board

For Farco Foods Private Limited



Syed Zafar Subhan
Director
DIN: 01104156

Place : Prayagraj
Date : 22/05/2025

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 before the commencement of the Meeting.
2. 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. 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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DIRECTOR'S REPORT

Dear Members,

Your Director's take pleasure in presenting the 31st Annual Report together with Audited Financial Statements for the year ended on 31st March, 2025.

FINANCIAL RESULT

	Rs. In Lakh
Revenue from Operation	436.64
Profit before depreciation	2.83
Depreciation	18.48
Profit after depreciation	(15.65)
Current year tax/Earlier year tax	-
Profit after tax	(15.65)

Operation Review

During the year under review your company has continued with the business of manufacturing biscuits for the 'Priyagold' of M/s Surya Foods and Agro Limited and the production of biscuits was 4759 MT. During the year the Company incurred losses because of the lower quantum of work orders released by the principals.

During the year the Board has finally decided to close down the goat project because the climate around the site did not suit the rearing of goats. Hence the land having become vacant the Company also decided to lease out the same keeping in view its security.

DIVIDEND

The Board has not recommended any Dividend for the year ended on 31st March, 2025.

RESERVES

Due to loss, no amount is available for transfer to General Reserve.

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.

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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

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 Company does not have the website so the Extract of Annual Return in Form No. MGT-9 as per Section 134 (3) (a) of the Companies Act, 2013 read with Rule 8A(I)(a) of Companies Act (Accounts) Rules 2014 is not applicable. However, The Annual Return is available for inspection in the Annual General Meeting.

SHARE CAPITAL

A) Issue of equity shares with differential rights

The Company has not issued any Equity Shares with differential rights as per provisions under rule 4 (4) of Companies (Share Capital and Debentures) Rules, 2014.

B) Issue of Sweat Equity Shares

The Company has not issued any Sweat Equity Shares as per the provisions in rule 8 (13) of Companies (Share Capital and Debentures) Rules, 2014.

C) Issue of Employee Stock Options

The Company has not issued any employee stock options as the provisions provided in rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014.

D) Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees

The Company has not made any provisions for money for purchase of its own shares by employees or by trustees for the benefit of employees as the provisions provided in rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014.

E) Issue of Debenture Bonds etc

The Company has not issued any Debentures or Bonds during the year under review.

A handwritten signature in black ink is written over a circular purple stamp. The stamp contains the text "M/s Farco Foods Private Limited" around the perimeter and a small star at the bottom center.

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BOARD MEETINGS

The calendar of Meetings is prepared and circulated in advance to the Directors. During the year, 5 nos. Board Meetings were convened on 24th May, 2024, 06th August 2024, 13th November 2024, 14th February, 2025 & 01st March, 2025 in the manner prescribed in the Companies Act, 2013.

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

The Company has in place an Prevention of Sexual Harassment Policy (known as "POSH") in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013. Till date the company has not received any complaint there under.

COMPLIANCE WITH THE MATERNITY BENEFIT ACT 1961

The Company has complied with the applicable provisions of the Maternity Benefit Act, 1961 during the year under review.

EXTRA ORDINARY GENERAL MEETING

An Extraordinary General Meeting (EGM) of the Company was convened on 29th March, 2025 to consider and approve the following special business(es):

- (a) Approval for increase in the Authorised Share Capital of the Company and amendment in the Memorandum of Association of the company, and
- (b) Approval of sale, lease, transfer or otherwise disposal of undertaking pertaining to goat division of the Company.

The shareholders passed the resolutions unanimously.

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;
- (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.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 & in pursuance of SEBI Circular issued on December 31, 2024 as SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 in respect of Regulation 24A

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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 to undertake the Secretarial Audit of the Company from the Financial Year 2025-26 to 2029-30. The Report of Secretarial Audit for the year 2024-25 is annexed herewith as Annexure- A 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. 24 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

Pursuant to provisions of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014, M/s P. L. Tandon, Chartered Accountants has been appointed for the term of 5 (Five) consecutive years from the conclusion of 28th Annual General Meeting till the conclusion of 33th Annual General Meeting to undertake the Statutory Audit of the Company subject to ratification of the appointment at the Annual General Meeting.

The Auditors' Report on the financial statements of the Company for the year ended March 31, 2025 forms part of this Annual Report. The Auditors' Report does not contain any qualifications, reservations, adverse remarks or disclaimer. In terms of the provisions of Section 143(12) of the Act, no frauds have been reported by the Statutory Auditors in their report for the year under review. Notes to the Financial Statements are self-explanatory and do not call for any further comments.

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.

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. Company has Nil foreign exchange earnings, however outgo of Rs. 10.49/- Lakhs.

RISK MANAGEMENT

The policy is not applicable to the Company.

DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company Mr. Nadesan Thekkekara (DIN: 01069445) and Mr Syed Zafar Subhan (DIN: 01104156) are the Directors retiring by rotation and being eligible offer themselves for re-appointment.

The block contains two handwritten signatures in blue ink. Between the signatures is a circular purple stamp. The text around the perimeter of the stamp reads "M/s Farco Foods Private Limited" and there is a small star at the bottom center of the stamp.

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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 Rule is not applicable to the Company.

MAINTENANCE OF COST RECORDS

The provisions of Section 148(1) of the Companies Act, 2013 are not applicable to the Company.

INDUSTRIAL RELATION

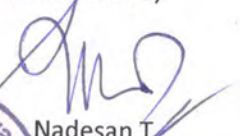
Industrial relations remained satisfactory during the period under review.

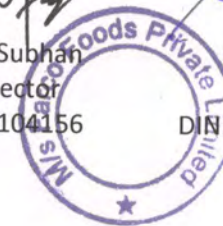
ACKNOWLEDGEMENTS

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 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. Subhan
Director
DIN: 01104156


Nadesan T.
Director
DIN: 01069445



Place: Prayagraj
Date: 22nd May, 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of FARCO FOODS PRIVATE LIMITED

Report on the Audit of the 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 2025, 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, 2025, and 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 there under, 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 management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Responsibility of Management for 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.

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. 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.

Report on Other Legal and Regulatory Requirements

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

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

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.

- a. 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.
- b. The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, statement of changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.



- c. In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015 as amended .
- d. On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- e. 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.**
- f. 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:

Section 197(16) is not applicable to private companies and therefore the provision of section 197(16) is not applicable to the company.

- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company 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.
 - iv. a)The Management has represented that, to the best of it's knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that



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

b)The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) Based on such audit procedures we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above contain any material mis-statement.

- v. The company has not declared or paid any dividend during the year .
- vi Based on our examination which included test checks , the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail being tampered with. The audit trail has been preserved by the company as per the statutory requirements for record retention.

Date: 22.05.2025

Place: KANPUR



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

P.P. Singh
P.P.SINGH
(PARTNER)

Membership Number: 072754
UDIN 25072754BMJPG09126

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

Re: FARCO FOODS PRIVATE LIMITED

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March, 2025, we report that:

- i. In respect of its Property, Plant and Equipment and Intangible Assets :
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - (B) The company does not have any intangible assets and therefore provision of para 3(i)(a)(B) of Companies (Auditor's Report) Order, 2020 are not applicable to company.
- (b) All the property, plant and equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its property, plant and equipment. No material discrepancies were noticed on such verification.
- (c) According to the information and 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.
- (d) According to the information and explanations given to us, the company has not revalued its property, plant and equipments (including right of use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us, the company does not hold any benami property under the Benami Transactions (Prohibition) Act 1988 (45 of 1988) and rules made thereunder. Therefore provisions of paragraph 3(i) (e) of the Companies (Auditor's Report) Order, 2020 are not applicable to the company.



ii In respect of its Inventories:

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

(b) During any point of time of the year, the company has not been sanctioned any working capital limits, from banks or financial institutions on the basis of security of current assets; Therefore provisions of paragraph 3(ii)(b) of Companies (Auditor's Report) Order, 2020 are not applicable to company .

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

The company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties and therefore provisions of paragraph 3(iii)(a) to 3 (iii)(e) of Companies (Auditor's Report) Order, 2020 are not applicable to company.

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

iv In our opinion and according to the information and explanation given to us, the Company has not given any loan and has not made any investment . Therefore provisions of paragraph 3 (iv) of Companies (Auditor's Report) Order, 2020 are not applicable to company.



- v In our opinion and according to information and explanations given to us, the company has not accepted any deposits within the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder. Therefore, the provisions of paragraph 3 (v) of the Companies (Auditor's Report) Order, 2020, are not applicable to the company.
- vi The Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of 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 goods and services tax, provident fund, employees' state insurance, income tax, sales tax, services 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 goods and services tax, Provident fund, Employees State Insurance, Income Tax, Sales Tax, Services Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other Statutory dues were in arrear as at 31st March, 2025 for a period more than six months from the date they became payable.

(b) According to the records of the company, there are no dues of goods and services tax, provident fund, Employees State Insurance, Income Tax, Sales Tax, Services Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess which have not been deposited on account of any dispute.

- viii According to the information and explanations given to us, there are no transactions which have not been recorded in the books of account but have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).



- ix(a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us, the company has not been declared as willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, the company has not obtained any loan by way of term loans during the year. Therefore, the provisions of paragraph 3 (ix) (c) of the Companies (Auditor's Report) order, 2020, are not applicable to the company.
- (d) According to the information and explanations given to us, and the procedure performed by us, and on the overall examination of the financial statements of the company, we report that no funds raised on short term basis have been used for long term purposes by the company.
- (e) According to the information and explanations given to us and procedure performed by us, the company does not have any subsidiary, joint venture or associate companies and therefore the provisions of paragraph 3 (ix)(e) and 3(ix) (f) of the Companies (Auditor's Report) order, 2020, are not applicable to the company
- x(a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, provisions of paragraph 3(x)(a) of the Companies (Auditor's Report) order, 2020, are not applicable to the company.
- (b) 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, partly or optionally convertible debentures during the year. Therefore provisions of paragraph 3(x)(b) of the Companies (Auditor's Report) order, 2020, are not applicable to the company.



- xi (a) According to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of our audit.
- (b) No report under sub-section (12) of section 143 of the Companies Act, has been filed by auditors in Form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government .
- (c) As represented to us by the management , there are no Whistle blower complaints received by the company during the year .
- xii In our opinion and according to the information and explanations given to us , the company is not a Nidhi Company. Accordingly , the provisions of paragraph 3 (xii) of the Companies (Auditors' Report) order , 2020 , are not applicable to the company.
- xiii According to the information and explanations given to us and based on our examination of the records of the Company, 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 (a) In our opinion and based on our examination , the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013.
- (a) In view of our comment in paragraph xiv (a) above, the provisions of paragraph (xiv) (b) of the Companies (Auditors' Report) Order, 2020, are not applicable to the company.
- xv According to the information and explanations given to us , in our opinion during the year the company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company.
- xvi(a) The Company is not required to be registered under section 45 -IA of the Reserve Bank of India Act 1934.



- (b) The company has not conducted any Non- Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from Reserve Bank of India.
- (c) The company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Therefore provisions of paragraph 3 (xvi)(c) of the Companies (Auditors' Report) order, 2020, are not applicable to the company.
- (d) According to the information and explanations given to us, the company's group does not have more than one Core Investment Company (CIC) as part of the group
- xvii The company has not incurred cash losses during current financial year and in the immediately preceding financial year.
- xviii There has been no resignation of the statutory auditors during the year and therefor the provisions of paragraph 3(xviii) of the Companies (Auditors' Report) order, 2020, are not applicable to the company.
- xix According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.



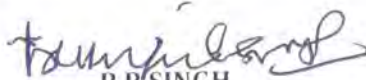
- xx(a) According to the information and explanations given to us and based on such audit procedures we have considered reasonable and appropriate in the circumstances, section 135 of companies act is not applicable to the company. Therefore provisions of paragraph 3 (xx)(a) of the Companies (Auditors' Report) order, 2020, are not applicable to the company.
- xx(b) In view of our comments in paragraph 3(xx)(a) above, the provisions of paragraph 3 (xx)(b) of the Companies (Auditors' Report) order, 2020, are not applicable to the company.
- xxi The provisions of paragraph 3 (xxi) of the Companies (Auditors' Report) order, 2020, are not applicable to the company as company does not have consolidated financial statements.

Date: 22.05.2025

Place: KANPUR



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


P.P. SINGH
(PARTNER)

Membership Number: 072754

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 2025 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

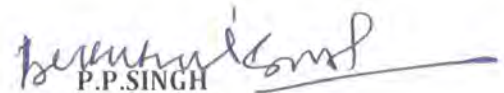
In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2025, based on the internal control over financial reporting criteria 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: 22.05.2025

Place: KANPUR



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


P.P. SINGH
(PARTNER)

Membership Number: 072754

FARCO FOODS PRIVATE LIMITED

Balance Sheet as at 31st March, 2025

			(Rs. In Lakhs)
ASSETS	Note	As At 31st March, 2025	As At 31st March, 2024
Non-Current Assets:			
Property, Plant and Equipment	2	331.01	349.42
Total Non Current Assets		331.01	349.42
Current Assets:			
Financial Assets:			
Inventory	3	11.81	43.45
Trade Receivables	4	48.18	64.85
Cash and Cash Equivalents	5	81.55	63.54
Other Bank Balances	6	38.93	36.45
Other Financial Assets	7	7.30	7.19
Current Tax Assets		26.02	25.13
Other Current Assets	8	20.05	10.77
Total Current Assets		233.84	251.38
TOTAL ASSETS		564.85	600.80
EQUITY AND LIABILITIES			
Equity:			
Equity Share Capital	9	90.00	90.00
Other Equity	10	(228.97)	(213.32)
Total Equity		(138.97)	(123.32)
Liabilities:			
Non-Current Liabilities:			
Deferred Tax Liabilities (Net)	11	15.07	15.07
Total Non Current Liability		15.07	15.07
Current Liabilities:			
Financial Liabilities			
Borrowings	12	639.73	649.73
Trade Payables	13	15.40	20.81
Other Current liabilities	14	33.62	38.51
Total Current Liability		688.75	709.05
TOTAL EQUITY AND LIABILITY		564.85	600.86

Material Accounting Policies & Notes to Financial Statements

1-45

As per our report of even date attached

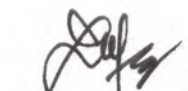
For P L Tandon & Co.

Chartered Accountants

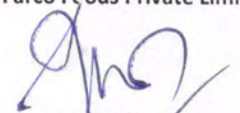
For and on behalf of the Board of Directors of
Farco Foods Private Limited



P. P. Singh
Partner
M No. 072754



Syed Zafar Subhan
DIN: 01104156



T. Nadesan
DIN: 01069445



Place: Prayagraj
Date: May 22, 2025

FARCO FOODS PRIVATE LIMITED

Statement of Profit and Loss for the Year ended 31st March, 2025

		(Rs. In Lakhs)	
	Note	Year ended 31st March, 2025	Year ended 31st March, 2024
Revenue From Operations	15	436.64	488.54
Other Income	16	12.68	8.82
Total Income		449.32	497.36
EXPENSES:			
Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Process	17	31.64	-
Employee benefit expenses	18	219.28	226.27
Finance Cost		-	0.65
Depreciation and amortization expense	19	18.48	18.98
Other expenses	20	195.57	232.21
Total Expenses		464.97	478.11
PROFIT BEFORE EXCEPTIONAL ITEMS:		(15.65)	19.25
PROFIT BEFORE TAX:		(15.65)	19.25
Tax Expense:			
(1) Current tax		-	3.24
(2) Deferred Tax		-	1.80
PROFIT FOR THE YEAR		(15.65)	14.21
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(15.65)	14.21
Earnings per equity share (face value of Rs. 10/- each) Basic and Diluted	22	(1.74)	1.58

Material Accounting Policies & Notes to Financial Statements
As per our report of even date attached
For P L Tandon & Co.
Chartered Accountants



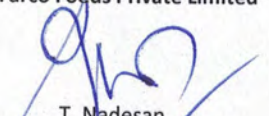
P. P. Singh
Partner
M No. 072754

Place: Prayagraj
Date: May 22, 2025

1-45


Syed Zafar Subhan
DIN: 01104156

For and on behalf of the Board of Directors of
Farco Foods Private Limited


T. Nadesan
DIN: 01069445



FARCO FOOD PRIVATE LIMITED**Cash Flow Statement
For the year ended 31.03.2025**

(Rs. in Lakhs)

Particulars		2024-25		2023-24	
A.	Cash Flow from Operating Activities				
	Net Profit/(Loss) before tax		(15.65)		19.25
	Adjustments for:				
	Depreciation & Amortization Exp.	18.48		18.97	
	Finance Cost	-		0.65	
	Interest Income	(3.02)	15.46	(2.80)	16.82
	Operating profit before working capital changes		(0.19)		36.06
	Adjustments for working capital changes:				
	(Increase) / Decrease in Inventories	31.64			
	(Increase) / Decrease in Trade Receivables	16.67		(2.48)	
	(Increase) / Decrease in Other Current Assets	(9.28)		(3.06)	
	Increase / (Decrease) in Trade and other Payables	(10.28)	28.75	(7.25)	(12.79)
	Cash generated from Operation during the year		28.56		23.28
	(Taxes Paid) / Refund Received(Net)		(0.91)		(1.52)
	Net Cash from Operating Activities	(A)	27.65		21.75
B.	Cash-Flow from Investing activities				
	Movement in Fixed Deposits	(2.48)		84.64	
	Interest received	2.91		5.84	
	Fixed Assets Net(Sold/Purchase)	(0.07)		(1.08)	
	Net Cash from Investing Activities	(B)	0.36		89.41
C.	Cash-Flow from Financing activities				
	Loans & Borrowings	(10.00)		(97.15)	
	Interest Paid	-		(0.65)	
	Net Cash from Financing Activities	(C)	(10.00)		(97.80)
	Net Increase in Cash & cash Equivalents	(A+B+C)	18.01		13.36
	Opening Balance of Cash & cash Equivalents		63.54		50.18
	Closing Balance of Cash & Cash Equivalents		81.55		63.54

Notes:

1. Cash and Cash Equivalents consists of Cash in hand and balance in bank.
2. Reconciliation of cash and cash equivalent :
Cash and cash equivalent as per Note No.5
3. Refer Note No 12.1 with regard to change in Financing Activities.

Material Accounting Policies & Notes to Financial Statements

1-45

As per our report of even date attached

For P L Tandon & Co.

Chartered Accountants

For and on behalf of the Board of Directors of
Farco Foods Private Limited

P. P. Singh

Partner

M No. 072754

Syed Zafar Subhan

DIN: 01104156

T. Nadesan

DIN: 01069445

Place: Prayagraj

Date: May 22, 2025



FARCO FOODS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

Note 1: MATERIAL ACCOUNTING POLICIES

Reporting Entity

Farco Foods Private Limited (the "Company") is a company limited by shares and domiciled in India (CIN: U15111UP1995PTC019155). The company is engaged in the business of manufacturing of biscuits and Animal Husbandry.

The address of the company's registered office is 332, Shervani Nagar, Sulem Sarai, Harwara, Prayagraj- 211015.

1.1 Basis of preparation

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

For all periods up to and including the year ended 31st March 2025, the Company prepared its financial statements in accordance with Accounting Standards (AS) notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and in accordance with companies (Accounting Standards), Rules 2006 (erstwhile - Indian GAAP).

1.2 Current and non-current Classification

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

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

An entity shall classify a liability as current when:

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

All other liabilities are classified as non-current.



FARCO FOODS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

1.3 Revenue recognition

The Company derives revenues primarily from job work

Ind AS 115 'Revenue from Contracts with Customers' provides a control- based revenue recognition approach to be followed for revenue recognition.

- Identify the contract(s) with a customer.
- Identify the performance obligations.
- Determine the transaction price
- Allocate the transaction price to the performance obligation.
- Recognise revenue when or as an entity satisfies performance obligation.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customers at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements except for the agency services, because it typically controls the goods or services before transferring them to the customer.

1.3.1 Sales revenue

Revenue from the sale of goods is recognised when all the following conditions have been satisfied:

- (a) the entity has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) the amount of revenue can be measured reliably;
- (d) it is probable that the economic benefits associated with the transaction will flow to the entity; and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes, levies or duties collected on behalf of the government/ other statutory bodies.

The taxes, levies or duties are not considered to be received by the Company on its own account and are excluded from net revenue.



FARCO FOODS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

1.3.2 Interest

Interest income is recognised using the Effective Interest Method.

1.3.3 Dividend

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

1.3.4 Other Claims

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

1.4 Leases

A **finance lease** is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.

An **operating lease** is a lease other than a finance lease.

1.4.1 Company as a lessor

Operating leases

Lease income from operating leases (excluding amounts for services such as insurance and maintenance) is recognised in income on a straight-line basis over the lease term, unless either: (a) another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished, even if the payments to the lessors are not on that basis; or

(b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary according to factors other than inflation, then this condition is not met.

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as lease income.

1.5 Property, Plant and Equipment (PPE)

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

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



FARCO FOODS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

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

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

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

Subsequent Measurement

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

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

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

Depreciation

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

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



FARCO FOODS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

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

1.6 Financial Instruments

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

1.6.1 Financial assets

1.6.2 Initial recognition and measurement

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

1.6.3 Subsequent measurement

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

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

1.6.4 Financial liabilities

1.6.4.1 Initial recognition and measurement

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

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

1.6.4.2 Offsetting of financial instruments

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



FARCO FOODS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

1.6.4.3 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction, production of assets that necessarily takes a subsequent period of time to get ready for its intended use or sale are capitalised as part of the assets. All other borrowing costs are expensed in the period in which they occur. Borrowing Cost consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

1.6.4.4 Taxation

Tax expenses for the period comprises current and deferred tax. Tax is recognised in statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

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

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

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

1.7 Employee Benefits

(i) Short term employee benefits

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

1.8 Inventories

- i) Inventories are valued at lower of the cost and net realizable value.

1.9 Provisions, Contingent Liabilities & Contingent Assets

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



FARCO FOODS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

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

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

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

1.10 Earnings per share

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

1.11 Judgements, Estimates and Assumptions

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

1.11.1 Judgements

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



FARCO FOODS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

1.11.1.1 Formulation of Accounting Policies

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

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

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

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

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

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

1.11.1.2 Materiality

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

1.11.1.3 Operating lease

Company has entered into lease agreements. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not



FARCO FOODS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

1.11.2 Estimates and assumptions

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

1.11.2.1 Impairment of non-financial assets

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

1.11.2.2 Taxes

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

1.11.2.3 Fair value measurement of financial instruments

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



FARCO FOODS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

Transition in Ind AS

The company has adopted Ind AS with effect from 1st April, 2017 with comparatives being restated. Accordingly, the impact of transition has been provided in the opening reserve as at 1st April, 2016. The figures for the previous periods have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

1.12 Abbreviation used:

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



FARCO FOODS PRIVATE LIMITED'

Notes on Financial Statements for the year ended 31st March, 2025

2 PROPERTY, PLANT AND EQUIPMENT:

(Rs. In Lakhs)

PARTICULARS	GROSS BLOCK					
	As At 1st April, 2023	Additions	As At 31st March, 2024	As At 1st April, 2024	Additions	As At 31st March, 2025
Leasehold Land	82.56	-	82.56	82.56	-	82.56
Factory Building	294.29	-	294.29	294.29	-	294.29
Temporary Structure	15.28	-	15.28	15.28	-	15.28
Plant And Equipments	181.20	0.53	181.73	181.73	0.07	181.80
Furniture And Fixture	6.73	-	6.73	6.73	-	6.73
Vehicles	1.30	-	1.30	1.30	-	1.30
Office Equipments	0.74	0.55	1.29	1.29	-	1.29
Computers	4.31	-	4.31	4.31	-	4.31
Total	586.40	1.08	587.47	587.47	0.07	587.55

PARTICULARS	DEPRECIATION AND AMORTIZATION					
	As At 1st April, 2023	For The Year	Upto 31st March, 2024	Upto 1st April, 2024	For The Year	Upto 31st March, 2025
Factory Building	65.73	9.56	75.30	75.30	9.56	84.86
Temporary Structure	5.24	4.84	10.08	10.08	4.44	14.52
Plant And Equipments	137.61	4.09	141.71	141.71	3.68	145.39
Furniture And Fixture	4.62	0.26	4.89	4.89	0.66	5.55
Vehicles	1.23	0.00	1.23	1.23	0.00	1.23
Office Equipments	0.70	0.09	0.79	0.79	0.10	0.89
Computers	3.94	0.13	4.06	4.06	0.03	4.10
Total	219.08	18.98	238.06	238.06	18.48	256.54

PARTICULARS	NET BLOCK	
	As At 31st March, 2025	As At 31st March, 2024
Leasehold Land	82.56	82.56
Factory Building	209.43	218.99
Temporary Structure	0.76	5.20
Plant And Equipments	36.41	40.02
Furniture And Fixture	1.18	1.84
Vehicles	0.06	0.06
Office Equipments	0.40	0.50
Computers	0.21	0.24
Total	331.01	349.42



Notes on Financial Statements for the year ended 31st March, 2025

	As At 31st March, 2025	As At 31st March, 2024
3 Inventory (At lower of cost and net realisable value)		
Biological Goods	11.81	43.4
	11.81	43.45
4 Trade Receivables		
Trade Receivables Considered good, Secured	48.18	64.85
Total	48.18	64.85
Refer Note No. 43 for Ageing		
5 Cash and Cash Equivalents		
Balance with Banks		
In Current Account	74.99	62.77
Cash in Hand	6.56	0.77
Total	81.55	63.54
6 Other Bank Balances		
Balance In Fixed Deposits with bank (Pledged with Bank)	38.93	36.45
Total	38.93	36.45
7 Other Financial Assets		
Interest accrued on FDR with Bank	1.04	0.93
Security Deposit Paid to Electricity Deptt	6.26	6.26
Total	7.30	7.19
8 Other Current Assets		
Prepaid expenses	0.41	0.62
ITC Receivable	0.04	0.01
Advances Recoverable in cash or in Kind	19.60	10.14
Total	20.05	10.77
9 Equity Share Capital		
Authorised:		
75,00,000 Equity Shares of Rs.10/- each (Previous Year:		
10,00,000 Equity Shares of Rs. 10/- each)	750.00	100.00
	750.00	100.00
9.1 Issued, Subscribed & Paid Up		
9,00,000 Equity Shares of Rs.10/- each (Previous Year:		
9,00,000 Equity Shares of Rs.10/- each)	90.00	90.00
Total	90.00	90.00

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

9.3 Reconciliation of the number of shares outstanding at the beginning & end of the year:

Particulars	Number of Shares	Amount (in Lacs)
Outstanding at the 1st April 2023	900,000	90.00
Equity shares issued during the year	-	-
Outstanding at the 31st March 2024	900,000	90.00
Equity shares issued during the year	-	-
Outstanding at the 31st March 2025	900,000	90.00



9.4 The details of Shareholders holding more than 5% shares:

Name of the Shareholders	As At 31st March, 2025	As At 31st March, 2024
Shervani Industrial Syndicate Ltd.*	9,00,000	9,00,000
*(Including One Nominee Shareholder holding 100 shares)		

9.5 Shareholding Of Promoters:

Shares held by promoters at the end of the year	No. Of Shares	% Of Total Shares	% Change During The Year
Promoters Name			
Shervani Industrial Syndicate Limited (Holding Company)	900000	100	Nil

10 Retained Earnings

Opening Balance	(213.32)	(227.52)
Add:- Net Profit for the year	(15.65)	14.21
Total	(228.97)	(213.32)

10(a) Retained Earnings represent the cumulative Loss of the Company

Non Current liability:

11 Deferred Tax Liabilities (Net)

Deferred Tax Liabilities

Related to Property, Plant and Equipment

Deferred Tax Assets

Less: MAT Credit Receivable

Closing Balance

18.16 18.16

3.09 3.09

15.07 15.07

Current liability:

Financial Liability :

12 Borrowings from Related Parties

Unsecured

Loan from Holding Company

Loan from Director

Total

639.73 639.73

- 10.00

639.73 649.73

12.1 Change in Liabilities arising from Financing Activities

Particulars	Current Borrowings	Non Current Borrowings Including Current Maturity of long term Borrowings
Opening balance as at 1st April 2023	649.73	97.15
Addition/(Deletion) During the year	-	(97.15)
Interest Expenses	-	(0.65)
Cash Flow (Net)	-	(97.80)
Balance as at March 2024	649.73	-
Addition/(Deletion) During the year	(10.00)	-
Interest Expenses	-	-
Cash Flow (Net)	(10.00)	-
Balance as at March 2025	639.73	-



13 Trade Payables

Dues towards others

15.40

20.81

Total**15.40****20.81**

Refer Note No. 44 for Ageing

14 Other Current Liabilities

Security Deposits

5.00

Other Payables *

33.62

33.51

Total**33.62****38.51**

*Other Payables includes Employee Liabilities & Statutory Dues etc



Notes on Financial Statements for the year ended 31st March, 2025

	Year ended 31st March, 2025	Year ended 31st March, 2024
15 Revenue from Operations		
Sale of product(Job Charges)	401.24	485.04
Sale of Biological Goods	35.40	3.50
Total	436.64	488.54
16 Other Income		
Interest Received	3.02	2.80
Misc. Receipt	-	0.00
Provision of Liability W/b	9.66	6.01
Total	12.68	8.82
Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Process		
Stock At Commencement		
Biological Goods	43.45	43.45
Total (A)		
Stock At End		
Biological Goods	11.81	43.45
Total (B)		
Net (A-B)	31.64	(0.00)
18 Employee Benefits Expense		
Salaries and Wages	213.38	220.24
Contribution to Provident & Other Funds	3.16	3.36
Workmen & Staff Welfare Expenses	2.74	2.67
Total	219.28	226.27
19 Depreciation and Amortisation Expenses :		
Depreciation	18.48	18.98
Total	18.48	18.98



20 Other Expenses

Manufacturing Expenses:

Power & Fuel	142.05	171.83
Repair to Building	1.41	0.46
Repair to Plant & Machinery	10.33	14.19
Other Manufacturing Expenses	24.18	26.46
Total (A)	177.97	212.94

Establishment Expenses:

Audit Fee	0.55	0.25
Expenses Incurred on Resort	0.09	-
Rent	0.68	4.11
Freight & Handling charges	0.71	1.34
Directors' Sitting Fee	1.60	1.30
Maintenance Charges (UPSIDA)	3.72	2.40
Rates and Taxes	0.69	0.47
Misc. Expenses	9.56	9.41
Total (B)	17.60	19.27

Total (A+B)	195.57	232.21
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Year ended
31st March, 2025

Year ended
31st March, 2024

21 Reconciliation of Effective Tax Rate:

The income tax expense for the year can be reconciled to the accounting profit as follows:

Profit Before Tax	(15.65)	19.25
Applicable Tax Rate	-	0.27
Computed Tax Expense	-	5.15
Tax effect of:		
Deduction (Depreciation)	-	-
Other Deduction (Unabsorbed Depreciation)	-	-
Current Tax Provisions (A)	-	3.24
Incremental Deferred Tax Liability on account of Tangible and Intangible Assets	-	1.80
Incremental Deferred Tax Asset on account of Financial Assets and Other	-	
Deferred Tax Provisions (B)	-	1.80
Tax Expenses recognised in Statement of Profit and Loss (A+B)	-	5.04
Effective Tax Rate	-	26.18

22 Earning Per Share (EPS):

Net Profit After Tax As Per Statement Of Profit And Loss	(15.65)	14.21
Attributable To Equity Shareholder As Numerator For Calculating Basic & Diluted EPS:		
Number Of Equity Share Used As Denominator For Calculating Basic & Diluted EPS	9,00,000.00	9,00,000.00
Basic & Diluted Earning Per Share In Rupees	(1.74)	1.58
Face Value Per Equity Share In Rupees	10.00	10.00

23 Contingent Liability

There is no contingent liability as at 31st March, 2025



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

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

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)

Ms. Aradhika Chopra (Nominee Director)

The following transactions were carried with above related parties in the ordinary course of business and on terms equivalent to those that prevail in arm's length transaction :

	Directors	Relatives
Short Term Benefits Remuneration		
Current Year	-	15.60
(Previous Year)	-	(15.01)
Sitting Fee		
Current Year	1.60	-
(Previous Year)	(1.30)	-
Unsecured Loan:		
Balance at the beginning and at the end of the year:		
Current Year	639.73	649.73
(Previous Year)	(649.73)	(649.73)

25 Financial Instruments and Related Disclosures

Capital Management:

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



Categories of Financial Instruments

Particulars	Note	As at 31st March,2025		As at 31st March,2024	
		Carrying Value	Fair Value	Carrying Value	Fair Value
A FINANCIAL ASSETS					
Measured at amortized cost					
Trade Receivables	3	48.18	48.18	64.85	64.85
Cash and Cash Equivalents	4	81.55	81.55	63.54	63.54
Other Bank Balances	5	38.93	38.93	36.45	36.45
Other Financial Assets	6	7.30	7.30	7.19	7.19
Total Financial Assets		175.96	175.96	172.03	172.03
B FINANCIAL LIABILITIES					
Measured at amortized cost					
Borrowings	12	639.73	639.73	649.73	649.73
Trade Payables	13	15.40	15.40	20.81	20.81
Other Financial Liabilities		-	-	-	-
Total Financial Liabilities		655.13	655.13	670.54	670.54

26 FINANCIAL RISK MANAGEMENT OBJECTIVES:

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

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

- Credit Risk
- Liquidity Risk
- Market Risk

Credit Risk :

Liquidity Risk :

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

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

Market Risk :

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



FAIR VALUE MEASUREMENT:

Fair value hierarchy:

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

Level 1:

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

Level 2:

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

Level 3:

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

- 27 The Government of India on September 20, 2019, vide the Taxation Law (Amendment) Ordinance 2019, inserted a new section 115BAA in the Income Tax Act, 1961 which provides domestic companies a non-reversible option to pay Corporate Tax at reduced rate effective, April 01, 2019, subject to certain conditions. The Company is continuing to provide for income tax at old rates based on the available unutilised minimum alternative tax credit.
- 28 The company did not enter any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956. There are no outstanding balances (payable to / receivable from) with struck off companies.
- 29 There are no charges or satisfaction yet to be registered with ROC beyond the statutory period as no loan/guarantee have been taken by the company.
- 30 The company has not entered in any Scheme of Arrangements and no Scheme of Arrangements has been approved by the Competent Authority in terms of section 230 to 237 of the Companies Act 2013.
- 31 The company did not held any Benami Properties and no proceedings has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 32 The company is not declared willful defaulter by any bank or financial institution or any other lender.
- 33 The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- 34 All transactions have been recorded in the books of account and there are no unrecorded income have been disclosed during the year in the tax assessments under the Income-Tax Act, 1961. Moreover there are no unrecorded income and related assets pertaining to previous years.
- 35 The Company has complied with the number of layers prescribed under (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.
- 36 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise.
- 37 The Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 38 No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 39 Gratuity and leave encashment payable to employees are accounted for on payment basis.
- 40 Provision for interest on unsecured loans has not been provided in the books.
- 41 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.
- 42 Previous year's figures have been regrouped/reclassified and restated wherever necessary to correspond with the current year's classification/disclosure.



43 Trade Receivables Ageing As on 31.03.2025	Outstanding for Following Periods from due date of payment as at 31st March,2025					
Particulars	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
Undisputed Trade Receivables – Considered Good	48.12	-	-	0.06	-	48.18
Undisputed Trade Receivables-which have significant increase in credit						
Considered Doubtful – Credit Impaired	-	-	-		-	-
Disputed Trade Receivables – Considered Good	-	-	-	-	-	-
Undisputed Trade Receivables-which have significant increase in credit						
Disputed Trade Receivables – Credit Impaired	-	-	-	-	-	-
Total	48.12	-	-	0.06	-	48.18

Trade Receivables Ageing As on 31.03.2024	Outstanding for Following Periods from due date of payment as at 31st March,2024					
Particulars	Less than 6 Months	6 Months- 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
Undisputed Trade Receivables – Considered Good	64.80	-	-	-	-	64.80
Undisputed Trade Receivables-which have significant increase in credit						
Considered Doubtful – Credit Impaired	-	-	0.05	-	-	0.05
Disputed Trade Receivables – Considered Good	-	-	-	-	-	-
Undisputed Trade Receivables-which have significant increase in credit						
Disputed Trade Receivables – Credit Impaired	-	-	-	-	-	-
Total	64.80	-	0.05	-	-	64.85

44 Trade Payable Ageing As on 31.03.2025

Particulars	Outstanding for Following Periods from due date of payment as at 31st March, 2025				
	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
(i) MSME	-	-	-	-	-
(ii) Others	10.19	0.93	-	4.29	15.40
(iii) Disputed dues — MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	10.19	0.93	-	4.29	15.40

Trade Payable Ageing As on 31.03.2024

Particulars	Outstanding for Following Periods from due date of payment as at 31st March, 2024				
	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
(i) MSME	-	-	-	-	-
(ii) Others	17.77	0.54	2.5	-	20.81
(iii) Disputed dues — MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	17.77	0.54	2.50	-	20.81



45 Accounting Ratios

Sl. No.	Ratios	31-03-2025	31-03-2024	% Variance*	Reason for
1	Current Ratio	0.34	0.35	-4.24%	NA
2	Debt Equity Ratio	(4.60)	(5.27)	-12.63%	Ratio has been impacted due to decrease in borrowing
3	Debt Service Coverage Ratio	-	0.35	-100.00%	Ratio has been impacted due to decrease in Interest bearing borrowing
4	Return on Equity (%)	0.12	(10.90)	-209.55%	Ratio has been impacted due to decrease in Profit before tax
5	Inventory Turnover Ratio	15.80	10.55	49.76%	Ratio has been impacted due to decrease in Average inventory
6	Trade Receivable Turnover Ratio	7.73	7.68	0.60%	
7	Trade Payable Turnover Ratio	NA	NA	N/A	
8	Net Capital Turnover Ratio	(0.96)	(1.15)	-16.53%	
9	Net Profit Ratio (%)	-3.59	2.91	-223.25%	Ratio has been impacted due to decrease in Sales
10	Return on Capital Employed (%)	(3.03)	3.68	-182.58%	Ratio has been impacted due to decrease in Profit
11	Return on Investment (%)	NA	NA	N/A	

FORMULAE FOR COMPUTATION OF RATIOS:

Ratios
Current Ratio
Debt Equity Ratio
Debt Service Coverage Ratio
Return on Equity
Inventory Turnover Ratio
Trade Receivables Turnover Ratio
Trade Payables Turnover Ratio
Net Capital Turnover Ratio
Net Profit Ratio
Return on Capital Employed
Return on Investment

Numerator	Denominator
Current Assets	Current Liabilities
Total Debt	Shareholder's Equity
Earnings Available for Debt Service (EBITDA)	Debt Service (Intt+Principal)
Net Profits after taxes – Preference Dividend	Average Shareholder's Equity
COGS OR SALES	Average Inventory
Net Credit Sales	Average trade
Net Credit Purchases	Average Trade
Net Sales	Average Working Capital (CA-CL)
Net Profit	Net Sales
Earnings before Interest and Tax	Capital Employed (where CE= Tangible Net Worth + Total Debt + Deferred Tax
$\{MV(T1) - MV(T0) - \text{Sum } [C(t)]\}$	$\{MV(T0) + \text{Sum } [W(t) * C(t)]\}$

