

## **Board of Directors**

Mr. Shailesh Khaitan, Director  
Mr. Shankar Lal Gupta – Director  
Mr. Binod Kumar Kesan, Non Executive, Independent Director  
Mr. Vikram Gupta–Non Executive, Independent Director  
Mrs. Indu Tibrewala – Non Executive, Independent Director

## **Manager**

Mr. Parimal Kanta Das

## **Chief Financial Officer**

Md. Rafiullah

## **Company Secretary**

Ms. Nayantara Agiwal

## **Audit Committee**

Mr. Binod Kumar Kesan – Chairperson  
Mr. Vikram Gupta  
Ms. Indu Tibrewala

## **Nomination & Remuneration Committee**

Ms. Indu Tibrewala – Chairperson  
Mr. Binod Kumar Kesan  
Mr. Vikram Gupta

## **Stakeholder Relationship Committee**

Mr. Vikram Gupta – Chairman  
Ms. Indu Tibrewala  
Mr. Binod Kumar Kesan

## **Registered & Corporate Office**

46C, Rafi Ahmed Kidwai Road  
3<sup>rd</sup> floor, Kolkata – 700016

## **Auditors**

M/s. Vasudeo & Associates.  
Chartered Accountants  
5 & 6, Fancy Lane, 3<sup>rd</sup> Floor  
Kolkata – 700 001

## **Registrar & Share Transfer Agent**

Niche Technologies Private Limited  
D-511, Bagree Market, 5<sup>th</sup> floor  
71, B. R. B. Basu Road  
Kolkata – 700 001

## **Bankers**

HDFC Bank Limited  
2/6, Sarat Bose Road  
Central Plaza, Kolkata

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 27<sup>th</sup> Annual General Meeting of the Members of **SHRADHA PROJECTS LIMITED** will be held on Thursday, 27<sup>th</sup> Day of September, 2018 at 10.00 A.M. at its Registered Office, 46C, Rafi Ahmed Kidwai Road, Kolkata - 700016 to transact the following businesses:

### A. ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as at 31st March' 2017, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of **Mr. Shailesh Khaitan** (DIN 00041247) who retires by rotation and, being eligible, offers himself for reappointment.

By Order of the Board

Place: Kolkata  
Date: 25.08.2018

Nayantara Agiwal  
Company Secretary

### **NOTES:**

1. Member entitled to attend and vote at the ANNUAL GENERAL MEETING, is ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of member not exceeding fifty (50) and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument appointing Proxy as per the format included in the Annual Report should be deposited at the Registered Office of the Company, duly completed and sign not less than FORTY-EIGHT HOURS before the commencement of the meeting.
2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from 21<sup>st</sup> day of September, 2018 to 27<sup>th</sup> day of September, 2018 (both days inclusive).
5. Documents referred to in the accompanying Notice and the statement and other statutory registers are available for inspection by members at the Registered Office of the Company during office hours on all working days except Saturdays, Sundays and Holidays between 11:00 a.m. and 1:00 p.m. up to the date of Annual General Meeting.
6. Members / proxies are requested to bring their attendance slip along with their copy of Annual Report to the meeting. As a measure of economy, copies of the Annual Report will not be

distributed at the meeting. Members, who hold shares in dematerialized form, are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.

7. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form are requested to notify any change in their address or bank mandates immediately to the RTA.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of PAN by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to their Depository Participants. Members holding shares in physical form are required to submit their PAN details to the company. Proxies are requested to bring their attendance slip along with their copy of Annual Report to the meeting.
9. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to Niche Technologies Pvt. Ltd. for their doing the needful.
10. Members are requested to notify change in address, if any, immediately to Niche Technologies Pvt. Ltd. quoting their folio numbers.
11. Annual Report 2017-2018 are being sent by electronic mode only to all the members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2017-18 are being sent by the permitted mode.
12. The Notice of the 27<sup>th</sup> AGM and instructions for e-voting, along with the Attendance Slip and Proxy Form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode. Members may also note that the Notice of the 27<sup>th</sup> AGM and the Annual Report 2018 will be available on the Company's website, [www.shradhaprojects.com](http://www.shradhaprojects.com)
13. Members are requested to send their queries, if any, relating to the accounts of the Company, well in advance, so that the necessary information can be made available at the meeting.
14. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
15. Additional information, as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of director seeking appointment / reappointment are given hereunder :

**A) Mr. Shailesh Khaitan (DIN: 00041247)**

Date of Birth	26.12.1955
Nationality	Indian
Designation	Promoter
Qualification	B. Com

Expertise	He has good knowledge in Account, Finance and trade policies
Date of Appointment	03.08.2001
Shares held in the Company	1178150
Directorship in Other Public Limited Companies apart from this Companies as on 31.03.2015	Khaitan Chemicals & Fertilizers Ltd Tribhuvan Properties Limited
Chairman/Member of the committees in which he is a Director apart from this Company as on 31st March, 2017	NIL

15. **VOTING THROUGH ELECTRONIC MEANS (Instructions for e-voting)**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI Listing Regulations, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 24<sup>th</sup> September, 2018 (9:00 am) and ends on 26<sup>th</sup> September, 2018 (5:00 pm). During this period members’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 20<sup>th</sup> September 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. **The process and manner for remote e-voting are as under:**
  - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
    - (i) Open email and open PDF file viz; “SHRADHA e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
    - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
    - (iii) Click on Shareholder - Login
    - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.

(v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

(vii) Select "EVEN" of "**SHRADHA PROJECTS LIMITED**".

(viii) Now you are ready for remote e-voting as Cast Vote page opens.

(ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

(x) Upon confirmation, the message "Vote cast successfully" will be displayed.

(xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

(xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [khaitancal@hotmail.com](mailto:khaitancal@hotmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM (enclosed herewith):

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date. A person who is not a member as on cut off date should treat this notice for information purpose only.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 20<sup>th</sup> September, 2018, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [ho@khaitanpaper.com](mailto:ho@khaitanpaper.com)

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Rohit Singhi, Practicing Company Secretary (Membership No. A43484) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by her in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.shradhaprojects.com](http://www.shradhaprojects.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by her in writing. The results shall also be immediately forwarded to the Calcutta Stock Exchange Limited, Kolkata.

By Order of the Board

Place: Kolkata  
Date: 25.08.2018

Nayantara Agiwal  
Company Secretary



## SHRADHA PROJECTS LIMITED

### REPORT ON CORPORATE GOVERNANCE

#### **BREIF STATEMENT ON THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

The Company is committed to highest level of transparency, accountability and equity in all facets of its operation and all its interaction with stakeholders, lenders, Government and other business associates proper disclosure of relevant financial and non-financial information and enhancing shareholder value on a continuing basis.

#### **MEETINGS OF THE BOARD:**

The company has duly complied with section 173 of the Companies Act, 2013. During the year under review, **Five (5)** board meetings were convened and held. The date on which meetings were held on **30.05.2017, 11.08.2017, 14.11.2017, 01.12.2017 and 13.02.2018**. The maximum interval between any two meetings did not exceed 120 days.

Name of Director	Type	Executive/ Non-executive	No. of Meeting Attended	No. of other Director-ship *	Whether Attend Last AGM	Other Board Committee Membership
Mr. Shailesh Khaitan	Promoter	Non-executive	3	2	Yes	Nil
Mr. Shankar Lal Gupta	Promoter	Non-executive	5	1	Yes	Nil
Mr. Binod Kumar Kesan	Independent	Non-executive	5	1	Yes	Nil
Mr. Vikram Gupta	Independent	Non-executive	5	0	Yes	Nil
Ms. Indu Tibrewala	Independent	Non-executive	5	0	No	Nil

\*Excluding Private Company

#### **FORMAL ANNUAL EVALUATION:**

Pursuant to the provisions of Companies Act, 2013, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee and Nomination and Remuneration Committee.

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & Committees, experience & competencies, performance of specific

duties & obligations, attendance of the meetings, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

### MEETING OF INDEPENDENT DIRECTORS:

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors, Management Personnel. Such meetings are conducted informally to enable Independent Directors to discuss the matter pertaining to the Company's affairs and put forth their views to lead Independent Director. At present the Company has three Independent Directors i.e. Mr. Binod Kumar Kesan, Mr. Vikram Gupta, Ms. Indu Tibrewala.

The meeting of Independent Directors held on **20.09.2017** during the year.

### COMMITTEES:

With a view to have a more focused attention on business and for better governance and accountability, and in accordance with the Companies Act 2013, your Board has re-constituted the following mandatory committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee.

#### i) AUDIT COMMITTEE:

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities. The Committee is governed by its terms of reference which is in line with the regulatory requirements mandated by the Companies Act, 2013 and Regulation 34 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Listing Agreement. The Audit Committee at present comprise of three Non-executive Directors. The Audit Committee met **four times (4)** during the year i.e. on **30.05.2017, 11.08.2017, 14.11.2017 and 13.02.2018**. The composition of the Audit Committee is as follows;

Members	Type	Executive/ Non-executive	No. of Meeting Attended
Mr. Binod Kumar Kesan	Chairman	Non-executive Independent &	4/4
Mr. Vikram Gupta	Member	Non-executive Independent &	4/4
Mrs. Indu Tibrewala	Member	Non-executive Independent &	4/4

**The broad terms of reference of the Committee includes: -**

- To hold periodic discussion with statutory auditors and internal auditors concerning the accounts, internal audit system, scope of audit and observations of the auditor/internal auditors
- To review compliance with internal control system.
- To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- To review the quarterly, half yearly and annual financial results of the Company before submission to the Board.
- To review periodically statements of transactions with related parties in the ordinary course of business.
- To investigate into any matter in relation to items specified in Section 177 of the Companies Act, 2013 or as may be referred to it by the Board.
- To make recommendation to the Board on any matter relating to the financial management of the Company.

**ii) NOMINATION AND REMUNERATION COMMITTEE:**

One meeting of the Nomination and Remuneration Committee was held on 30<sup>th</sup> May, 2017. The composition of the Nomination and Remuneration Committee is as follows:-

Name of the Committee Members	Nature of Directorship	Membership
Ms. Indu Tibrewala	Independent Director	Chairman
Mr. Binod Kumar Kesan	Independent Director	Member
Mr. Vikram Gupta	Independent Director	Member

**The broad terms of reference of the Committee includes: -**

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/ or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to remuneration for the Directors, Key managerial personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To recommend/review remuneration of the Managing Director(s) based on their performance and defined assessment criteria.

### iii) STAKEHOLDER RELATIONSHIP COMMITTEE:

Pursuant to section 178(5) of Companies Act 2013 and revised Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has renamed its existing investor/Shareholder Grievance Committee as “**Stakeholder Relationship Committee**” and revised the terms of reference accordingly. The Stakeholder Relationship Committee at present comprise of Three Non- executive Directors. Its composition can be seen as follows;

The Stakeholder Relationship Committee at present comprise of three Non-executive Directors. The Stakeholder Relationship Committee met once in the year i.e. **on 13.02.2018**. The composition of the Stakeholder Relationship Committee is as follows;

Members	Type	Executive/ Non-executive
Mrs. Indu Tibrewala	Chairman	Non-executive & Independent
Mr. Vikram Gupta	Member	Non-executive& Independent
Mr. Binod Kumar Kesan	Member	Non-executive & Independent

#### The broad terms of reference of the Committee includes: -

- Oversee and review all matters connected with the transfer of the Company’s securities.
- Oversee the performance of Company’s Registrars and Transfer Agents.
- Recommend methods to upgrade the standard of services to investors.
- Monitor implementation and compliance with the Company’s Code of Conduct for prohibition of Insider Trading.

#### **DETAILS OF LAST 3 ANNUAL GENERAL MEETING**

Information about last three Annual General Meeting

Year	Date	Time	Location of Registered Office
2015	25.09.2015	3.00 P.M.	46C, Rafi Ahmed Kidwai Road, 3rd floor, Kolkata - 700 016
2016	28.09.2016	10.00 A.M.	46C, Rafi Ahmed Kidwai Road, 3rd floor, Kolkata - 700 016
2017	20.09.2017	10.00 A.M.	46C, Rafi Ahmed Kidwai Road, 3rd floor, Kolkata - 700 016

- i) Special resolution was passed in the Annual General Meeting on 20.09.2017
- ii) No special resolution was proposed through postal ballot last year.

## **E-VOTING**

On terms of Section 108 of the Companies Act, 2013, Rules framed there under and Clause 35B of the Listing Agreement, the Company is providing e-voting facility to its Members in respect of all Members' resolutions proposed to be passed at this Annual General Meeting.

## **MEANS OF COMMUNICATION**

The unaudited Quarterly results of the Company are regularly submitted to the Stock Exchanges and published in News Papers in accordance with the Listing Agreement. The information is also available on the website of the company i.e. [www.shradhaprojects.com](http://www.shradhaprojects.com)

## **GENERAL SHAREHOLDER INFORMATION**

### **A. Company Registration Details**

The Company is registered in the State of West Bengal, India. The Corporate Identification Number (CIN) allotted to the Company by Ministry of Corporate Affairs (MCA) is **L27109WB1992PLC054108**.

### **B. Annual General Meeting**

Date- 27th September 2018

Time - 10.00 A.M

Venue- 46C, Rafi Ahmed Kidwai Road, 3rd floor, Kolkata - 700 016

### **C. Financial Calendar (April - March)**

Quarter ending June 30, 2017.	: On or before 15 <sup>th</sup> August, 2017
Quarter ending September 30, 2017.	: On or before 15 <sup>th</sup> November, 2017
Quarter ending December 31, 2017.	: On or before 15 <sup>th</sup> February, 2018
Yearly Financial Results 2017-2018	: On or before 30 <sup>th</sup> May, 2018

### **D. Book Closure**

The Register of members and Share Transfer Book will remain closed from 20.09.2018 to 27.09.2018 (both days inclusive) on account of Annual General Meeting.

### **E. Dividend**

No dividend is recommended for the year.

### **F. Listing at Stock Exchanges**

1. The Calcutta Stock Exchange Association Ltd.

### **G. Stock Code**

The Calcutta Stock Exchange Association Ltd: 12626

H. ISIN Number: INE851D01012

I. Depository Connectivity: NSDL and CDSL

J. STOCK MARKET DATA

Monthly high & low prices of Equity shares of the Company quoted at The Calcutta Stock Exchange during the year 2017-2018.

Month	Calcutta Stock Exchange Limited		
	High	Low	Volume
April'14	---	---	---
May'14	---	---	---
June'14	---	---	---
July'14	---	---	---
August'14	---	---	---
September'14	---	---	---
October'14	---	---	---
November'14	---	---	---
December'14	---	---	---
January'15	---	---	---
February'15	---	---	---
March'15	---	---	---
Total	---	---	---

K. REGISTRAR & TRANSFER AGENTS

Name

Niche Technologies (P) Ltd.  
(For Physical & Demat Shares)

Address

71, Canning Street, Kolkata - 700 001

L. SHARE TRANSFER SYSTEM

Transfer of Shares are registered and processed by the Registrars & Share Transfer Agents within 15 days from the date of receipt, if the relevant documents are completed in all respect

M. DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2018

Sl. No.	No of Equity Shares held	No of Shares Holders	% of Shares Holders	No of Shares Held	% of Share Holding
1	Up to 500	1025	54.6958	2,21,090	2.8667
2	501 - 1000	771	41.1419	5,41,210	7.0174
3	1001 - 5000	48	2.5614	1,28,795	1.6700
4	5001 - 10000	10	0.5336	71,060	0.9214
5	10001-50000	11	0.5870	2,13,100	2.7631
6	50001-100000	2	0.1067	1,24,900	1.6195
7	100001 & above	7	0.3735	64,12,259	83.1420
	<b>Total</b>	<b>1874</b>	<b>100.00</b>	<b>7712414</b>	<b>100.00</b>

## N. SHAREHOLDING PATTERN AS ON 31.03.2018

Category	No of Shares Held	% of Share Holding
Indian Promoters	4371549	56.68
Institution Investors	-	-
Private Corporate Bodies	2348035	30.45
Resident Individuals	992830	12.87
<b>Total</b>	<b>7712414</b>	<b>100.00</b>

## O. ADDRESS FOR CORRESPONDENCE

### **REGISTERED OFFICE:**

46C, RAFI AHMED KIDWAI ROAD,  
3<sup>RD</sup> FLOOR, KOLKATA - 700 016

## CEO/CFO CERTIFICATION

The Managing Director and Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Chief Financial Officer also gives quarterly certification on financial results while placing the financial results before the Board.

## CERTIFICATE OF COMPLIANCE OF THE CODE OF CONDUCT OF THE COMPANY

This is to certify that the Company has laid down Code of Conduct for all Board Members and Senior Management of the Company.

Further certified that the Members of the Board of Directors and Senior Management personnel have affirmed having complied with the Code applicable to them during the year ended March 31, 2018.

Date: 30.05.2018

Place: Kolkata

**S. L. Gupta**  
(Director)

**B K Kesan**  
(Director)

# SHRADHA PROJECTS LIMITED

---

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### **Global economy – Overview**

In 2017, a decade after the global economy spiralled into a meltdown, a revival became visible. Every major economy expanded, and a growth wave created jobs. This reality was marked by ongoing Eurozone growth, modest growth in Japan, late revival in China and improving realities in Russia and Brazil leading to an estimated 3.7% global economic growth in 2017, some 60 bps higher than the previous year. The outlook for advanced economies improved, notably for the Euro area, but in many countries, inflation remained weak, indicating that slack was yet to be eliminated, and prospects for growth in GDP per capita were held back by weak productivity growth and rising old-age dependency ratios. Global growth forecasts for 2018 and 2019 were revised upward by 20 bps (from previous WEO estimates) to 3.9% for both years, reflecting improved momentum and the impact of tax policy changes in the US.

### **Indian economy – Overview**

After registering GDP growth of over 7% for the third year in succession in 2016-17, the Indian economy headed for slower growth estimated at 6.7% in 2017-18. Even with this lower growth for 2017-18, GDP growth averaged 7.3% for the period 2014-15 to 2017-18, achieved through lower inflation, improved current account balance and reduction in fiscal deficit to GDP. The year under review was marked by various structural reforms by the Government. In addition to GST introduction, the year witnessed significant resolution of problems associated with bank non-performing assets, FDI liberalisation, bank recapitalisation and privatisation of coal mines. After remaining in negative territory for a couple of years, export growth rebounded during 2016-17 and strengthened in 2017-18; foreign exchange reserves rose to US\$ 426 billion as on April 2018.

### **NBFCs in India**

The Indian NBFC sector for the past three years have been giving stiff competition to established banks in the country and finally edged ahead as their portfolio of loans grew at a rate of 14.9% during the first half of 2017-18, compared to 6.2% in the case of banks. The credit granted by NBFCs as a percentage of GDP rose to 8%, displaying their significance in the country's financial ecosystem. While the bank credit reached a historical low during 2016-17, NBFCs recorded an increased credit performance during the same year, highlighting the growing popularity in the country. Retail NBFCs benefited immensely from lower interest rate and benign liquidity conditions in the last three years. It not only lowered their cost of funds and boosted margins but easy availability of capital allowed them to raise their share of the overall loan market at the expense of commercial banks. This came on the back of industry's equally fast growth in the previous three years. Retail NBFCs' loan book grew at a CAGR of 19.7% during the three years ending March 2017. This was nearly thrice the pace of growth (6.9%) in bank loan books during the period. This helped bridge the credit gap in the country and provided alternate sources of finance to individuals and entities with lower credit ratings. This rise was mainly on account of a subdued performance by banks on the back of events such as the demonetisation and the implementation of resuscitative actions such as the PCA and the AQR. This translated into a profit boom in the industry and the combined net profit of NBFCs grew at a CAGR of 18.7% during three-year period ending March 2017, making NBFCs one of the best-performing sectors on the bourses during the period.

# SHRADHA PROJECTS LIMITED

---

## **Opportunities and Threats**

Rising entrepreneurship among the country's youth has bolstered demand for small-ticket loans because of the low interest burden associated with them. People are gradually opting for online loan facilities because of the inherent ease-of-use and speed of transactions. The market remains largely under-penetrated with the 15 major cities in India preferring loans against shares and properties, whereas the remaining 15 cities beyond the top-15 exhibiting a preference for microfinance. NBFCs lend to retail borrowere without strong credit history and mid-level corporates who are usually not considered creditworthy by major banks, indicating the fact that there is still ample headroom for growth for NBFCs. With the banking sector bearing the brunt of rising NPA levels, they are becoming increasingly strict when it comes to disbursing loans, brightening prospects for NBFCs. Even if half of the lower-middle class makes the transition to upper-middle or middle class, they would still amount to 350 million people, indicating that there will be a sizeable chunk of the population for the NBFCs to cater to over the long-term. The Financial Intelligence Unit put 9,491 non-banking finance companies (82% of the total NBFCs in India) under the highrisk category because of noncompliance with Prevention of Money Laundering Act. With a large number of NBFCs getting into the market, the competition is becoming fierce as consume have more alternatives to choose from. Unorganised money lenders continue to hold sway in the rural markets and are a significant threat to NBFCs in these areas.

## **Risks and mitigation**

Though the industry is presently doing well, it possesses certain risks as well. One of them being the high interest rates levied on NBFCs which will affect them in two ways. First, it will compress industry's NIMs or the spread of yield on assets over cost of funds. Secondly, higher interest rate could hit the demand for retail loans, lowering industry's pace of growth. The fact that credit penetration of NBFCs in India is at 13% of GDP, which is significantly low in comparison to other emerging economies, reflects that there are still few challenges that need to be addressed immediately. One of the key challenges that NBFCs currently face is that they are extremely dependent on competitors, banks and capital markets for raising funds. This can prove detrimental to the sustainability of their growth and can cause lot of distress, as funds from these sources can dry up without much notice. A strong regulatory framework which allows opening up of refinance windows will help NBFCs raise low-cost funds and increase their lending penetration. Another critical factor that forms a challenge for NBFCs is lack of flexibility in classification of loans. The assumption of 'one-size fits all' doesn't work for NBFCs. The regulations need to consider the borrowers' profile and assets under classification. Other issues that need redressal include withdrawal of priority sector status of bank lending to NBFCs, disparity in treatment in terms of taxation for NBFCs and banks and minimum mandatory credit rating for deposit taking NBFCs.

## **Internal control systems**

The Company's internal audit system has been continuously monitored and updated to ensure that assets are safeguarded, established regulations are complied with and pending issues are addressed promptly. The audit committee reviews reports presented by the internal Auditors on a routine basis. The committee makes note of the audit observations and takes corrective actions, if necessary. It maintains

# SHRADHA PROJECTS LIMITED

---

constant dialogue with statutory and internal Auditors to ensure that internal control systems are operating effectively.

## **Human resources**

The Company continues to emphasize on retaining, training and enhancing its human resource base. The Company recognizes the role that human capital plays in the modern workplace and aims to create a harmonious environment to enable the raising of employee productivity and hence allow employees to reach their full potential. The recruitment, training, appraisal programmes of the Company continued to run seamlessly, coupled with performance-based incentives and better-than-industry-rates of compensation. These efforts resulted in growing the human capital which translated into lower employee turnover rates.

## **Operations and financial performance**

During the year, despite of uncertainty in the Indian market scenario in the last quarter of the year, our prudent business management tactics resulted in a net profit of ₹ 50 lac.

## **Cautionary statement**

Statements in this report on management discussion and analysis, describing the Company's objectives, estimates, expectations or predictions are all 'forward-looking statements' within the meaning of the applicable securities, laws and regulations. These statements are based on certain assumptions and expectations regarding future events. The Company assumes no responsibility whatsoever to publicly amend, modify or revise any 'forward-looking statements' on the basis of any subsequent information, developments and events.

# SHRADHA PROJECTS LIMITED

## DIRECTOR'S REPORT

**To**  
**The Members**  
**SHRADHA PROJECTS LIMITED**

Your Directors have pleasure in presenting their 27<sup>th</sup> Annual Report and Audited Accounts of your Company for the year ended 31<sup>st</sup> March, 2018.

### REVIEW OF OPERATION

Highlights of the company's performance for the year 2017-18 are reproduced for your consideration  
(₹ in crores)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Revenue from operations	1.88	1.29
Other Income	.36	.35
Total Income	2.24	1.65
Total Expenses	1.53	.77
Profit/(Loss) Before Tax	.71	.88
Provision for Taxation	.28	.29
Deferred Tax Asset/(Liability)	(.07)	.007
Income Tax for the earlier year	.-	.03
Profit/(Loss) After Tax	51	.55

### **CHANGE IN NATURE OF BUSINESS:**

There has been no change in nature of business of the company during the F.Y. 2017-2018.

### **MATERIAL CHANGES AND COMMITMENTS:**

There are no material changes and commitments affecting the financial position of the company have accrued between the date financial year of the Company and date of the report.

### **DIVIDEND:**

Your Board of Directors has decided that the funds of the company are required for future expansion of the company and so the profits of the company for the year ended on 31<sup>st</sup> March 2018 shall be deployed for the said purpose. The Board has decided not to recommend any dividend for the year ended 31<sup>st</sup> March 2018.

### **TRANSFER TO RESERVE:**

Your company has transferred ₹ 10,13,089/- i.e. 20% (approx) of Profit after Tax to statutory reserve under section 45 IC of RBI Act 1934 for the year ended 31.03.2018.

### **CHANGES IN SHARE CAPITAL:**

The paid up Equity Share Capital as on 31st March, 2017 stood at ₹ 77,124,140/-. During the year under review, the Company has not issued any shares with differential voting rights, sweat equity shares nor

## SHRADHA PROJECTS LIMITED

---

granted any stock options. The company neither came out with rights, bonus, private placement and preferential issue.

### **INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company has policy for Internal Financial Control System, commensurate with the size, scale and complexity of its operations. Detailed procedural manuals are in place to ensure that all the assets are safeguarded, protected against loss and all transactions are authorized, recorded and reported correctly. The scope and authority of the Internal Audit (IA) function is defined in the internal financial control policy. The Internal Auditor monitors and evaluates the efficiency and adequacy of Internal Financial control system in the Company, its compliance with operating systems, accounting procedures and policies. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board, the internal audit report on quarterly basis and some are reviewed by the committee. The observation and comments of the Audit Committee are placed before the board.

### **DIRECTORS AND KEY MANAGERIAL PERSON:**

#### **Directors**

Mr. Shailesh Khaitan – Promoter

Mr. Shankar Lal Gupta - Promoter

#### **Key Managerial Personnel**

Mr. Parimal Kanta Das - Manager

Md. Rafiullah - Chief Financial Officer

Ms. Nayantara Agiwal - Company Secretary

#### **Non-Executive, Non-Independent Directors**

Mr. Binod Kumar Kesan - Non – executive Independent Director

Mr. Vikram gupta - Non – executive Independent Director

Ms. Indu Tibrewala - Non – executive Independent Woman Director

#### **Appointment & Resignation:**

Mr. Binod Kumar Kesan, Mr. Vikram Gupta and Ms. Indu Tibrewala continued as Independent Directors of the Company

Mr. Parimal Kanta Das continued as Manager of the Company.

Ms. Nayantara Agiwal continued as Company Secretary of the Company.

Md. Rafiullah continued as Chief Financial Officer of the Company.

No appointments were made during the financial year under the review.

# SHRADHA PROJECTS LIMITED

---

## **MEETINGS OF THE BOARD:**

Nine meetings of the Board of Directors were held during the year. For Further details please refer report on Corporate Governance of this Annual Report.

## **MANAGERIAL REMUNERATION:**

The statement containing the disclosure as required in accordance with the provisions of Section 197(12) of the Companies Act 2013 read with rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure I. and forms a part of the Board Report. Further, none of the employees of the Company are in receipt of remuneration exceeding the limit prescribed under rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 so statement pursuant to Section 197(12) of the Companies Act 2013 read with rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not required to be included.

## **DETAILS OF SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES:**

Your Company has no Subsidiary Company. Details of Associate Companies during the year under review is annexed as **Annexure II** (i.e. in Form AOC – I) and forms part of the Board Report.

## **AUDITORS & AUDITORS REPORT**

**STATUTORY AUDITORS:** Pursuant to section 139(1) of Companies Act 2013 read with applicable rules thereon M/s. Vasudeo & Associates (FRN: 319299E) have been appointed as Statutory Auditors of the Company for a period of 5 year from the conclusion of 26th Annual General Meeting held in 2017 till the conclusion of the 31st Annual General Meeting to be held in the year 2022, subject to ratification by shareholders in every AGM.. Pursuant to the Companies Amendments Act 2017 w.e.f. 07.05.2018 the proviso to section 139(1) of Companies Act 2013 in regard to the ratification of appointment of Statutory Auditor in every Annual General Meeting has been omitted.

**SECRETARIAL AUDITOR:** Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed **Mr. Rohit Singhi**, a Practicing Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as **Annexure III**.

**INTERNAL AUDITOR:** Pursuant to the provisions of Section 138 of the Companies Act, 2013 and The Companies (Accounts) Rules, 2014 the Company has appointed **M/s. Jain Binod & Associates**, to undertake the Internal Audit of the Company F.Y 2017-2018. There stood no adverse finding & reporting by the Internal Auditor in the Internal Audit Report for the year ended 31st March 2018.

**AUDITOR REPORTS:** There are no qualifications, reservation or adverse remarks made by **M/s Vasudeo & Associates.**, the statutory Auditor, in their report. As regards to observation made by the Secretarial Auditor we are state that necessary steps are being taken to comply with the requirements.

## SHRADHA PROJECTS LIMITED

---

The statutory Auditor has not reported any incident of fraud to the Audit committee of the company in the year under review.

### **MEETINGS OF THE COMMITTEES:**

For details please refer report on Corporate Governance of this Annual Report.

### **RISK MANAGEMENT POLICY:**

Pursuant to section 134(n) of Companies Act 2013 and revised clause 49 of Listing Agreement, your company has a robust Risk management framework to identify, evaluate business risk and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the competitive advantage. The framework has different risk models which help in identifying risk trends, exposure and potential impact analysis at a company level. The said policy is hosted on the website of the company ([www.shradhaprojects.com](http://www.shradhaprojects.com)).

### **VIGIL MECHANISM /WHISTLE BLOWER POLICY:**

Your Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. The company has adopted a Whistle Blower policy to establish a vigil mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or ethics policy. The said policy is hosted on the website of the company ([www.shradhaprojects.com](http://www.shradhaprojects.com)).

### **CORPORATE SOCIAL RESPONSIBILITY:**

The Clauses relating to Corporate Social Responsibility is not applicable to the Company

### **EXTRACT OF ANNUAL RETURN:**

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014, the details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as Annexure IV.

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE:**

There are no significant material orders passed by the Regulators /Courts/Tribunals which would impact the going concern status of the Company and its future operations.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

1. The Company has mortgaged its fixed assets viz Apartment No 206, 2<sup>nd</sup> floor, Apollo Arcade, ½ Old Palasia - Indore and Flat no. 402 situated at Twin Tower, 5/2 Old Palasia, Indore with IDBI

## SHRADHA PROJECTS LIMITED

---

as security on the Term Loan taken by M/s Khaitan Chemical & Fertilizers Limited of ₹ 10 Crores.

2. The Company has given a Corporate Guarantee in favor of Indus Valley World School; a school runs by Gopal Chakrabortti Charitable Trust, affiliated by C.B.S.E. to be given to Allahabad bank, SME Finance Branch, 3, Red Cross Place, Kolkata – 700001 to facilitate them to avail various credit facilities from the bank towards a loan amounted to ₹ 3051 lacs.
3. Further the Company has given corporate guarantee towards a Loan of ₹ 2521 Lacs raised by B. D. Memorial Institute from Allahabad Bank.
4. The Company has given Corporate Guarantee towards a Loan of ₹ 3000 lacs raised by Khaitan Chemicals & Fertilizers Limited from State bank of India, Commercial Branch, Indore.
5. The Company has received Order u/s 143(3) of the Income Tax Act, 1961 for the financial year 2013-14 (AY 2014-15) in which certain additions were made by the Income Tax department while computing the tax liability of the company and accordingly demand of ₹ 4.87 lacs has been raised by the Authority. But an appeal has been preferred by the Company with CIT(Appels) for defending the case and management is hoping that the case will be decided in the favour of the Company, so no provision has been made in regard to demand raised by the Income Tax Department. The Company has paid ₹ 0.73 lacs under protest to the Department.
6. The Company has received Order u/s 147/143(3) of the Income Tax Act, 1961 for the financial year 2009-2010 (Asst Year 2010-11) in which certain additions were made by the income tax department while computing the tax liability of the company and accordingly demand of ₹ 21.05 Lacs has been raised by the Authority. But an appeal has been preferred by the Company with CIT(Appels) for defending the case and management is hoping that the case will be decided in favour of the Company, so no provision has been made in regard to demand raised by the Income Tax Department. The company has paid ₹ 4.21 lacs under protest to the Department.

### DEPOSITS:

Your company is non deposit taking NBFC registered with RBI, thus the said clause is not applicable and the company does not accept any deposit. The Board of Directors has duly passed a resolution in their meeting giving effect to the aforesaid statement.

### CONTRACTS/ TRANSACTIONS / ARRANGEMENTS WITH RELATED PARTIES:

All contracts/ arrangements/transactions with related parties entered by the company during the financial year were on an arm's length basis and were in the ordinary course of business and thus the provisions of section 188 of the Companies Act 2013 are not attracted and thus disclosure about details of contracts or arrangements or transactions with related parties referred to in section 188(1) in Form AOC-2 is not required. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or their relatives or other designated persons which could have a potential conflict with the interest of the Company at large. All Related Party Transactions are periodically placed before the Audit Committee as also the Board for approval. During the year under review the company has not taken any omnibus approval from Audit committee. A Related Party policy has been devised by the board of Directors for determining the

# SHRADHA PROJECTS LIMITED

---

materiality of transactions with related parties and dealing with them. Further your Directors draw your kind attention of the members to note no 2.30 to the financial statements which sets out related party transactions.

## **CORPORATE GOVERNANCE REPORT:**

Pursuant to Regulation 15 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the report on Corporate Governance and Management Discussion & Analysis forms part of the Annual Report. The Certificate from Auditor of the company confirming compliance with the conditions of Corporate Governance as stipulated under 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 also constitute an integral part of the Annual Report.

## **DISCLOSURES ON POLICY AGAINST SEXUAL AND WORKPLACE HARASSMENT:**

The Company believes that it is the responsibility of the organization to provide an environment to its employee which is free of discrimination, intimidation and abuse and also to protect the integrity and dignity of its employees and also to avoid conflicts and disruptions in the work environment. Further there stood no cases filed during the year under review.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOES:**

The Particulars in respect of conservation of energy and technology absorption are not applicable during the year under review. There is no earning and outgo in Foreign Exchange.

## **RESEARCH & DEVELOPMENT**

The Company has not incurred any sum in respect of Research & Development for any of its activity.

## **DIRECTORS RESPONSIBILITY STATEMENT:**

In terms of Section 134 (5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (a) That in the preparation of Annual Accounts, the applicable Accounting Standard has been followed alongwith proper explanations relating to material departures.
- (b) That 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 at the end of financial year and the Statement of Profit and Loss for that period.
- (c) That the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding assets of the Company and for preventing and detecting frauds and other irregularities.
- (d) That the Directors have prepared the Annual Accounts on Going Concern Basis.
- (e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (f) The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

# SHRADHA PROJECTS LIMITED

---

## ACKNOWLEDGEMENTS:

Your Directors take the opportunity to thank the Regulators, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

**For and on behalf of the Board**

Place: Kolkata

Date: 30.05.2018

Director

Director

## SHRADHA PROJECTS LIMITED

### Annexure I to the Boards Report

#### DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) The Directors of the Company do not receive any salary. Thus there is no ratio of the remuneration of each director to the median remuneration of the employees.
- (ii) The salary of the Company Secretary increased 28.76%. Salary of the Manager increased 12.16%. Salary of the CFO increased 13.02%.
- (iii) The Median Remuneration of Employees as on March 31, 2018 is ` 7,83,256/-. The percentage increase in the median remuneration of employees was 354.85% during the financial year.
- (iv) There were 5 (nine) permanent employees (including CFO, Company Secretary & Manager) on the rolls of Company as on March 31, 2018;
- (v) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- (vi) Name of the top ten employees in terms of remuneration is as follows:

S.No	Name of the Employee	Salary Received
1	Mr. Harsh Vardhan Agnihotri	₹ 1200000/-
2	Mr. I N Jha	₹ 366512/-

**SHRADHA PROJECTS LIMITED****Annexure II to the Boards Report****Form AOC- I**

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

**Statement containing salient features of the financial statements of subsidiaries/associates companies/joint ventures****Part A: Subsidiaries**

Your Company has no Subsidiary Company during the year under review.

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

Name of Associates	<b>Arati Marketing Private Limited</b>	<b>B.O. Construction Private Limited</b>	<b>Indus Valley World School Pvt. Ltd.</b>	<b>Khaitan Paper &amp; Packaging Private Limited</b>
Latest Audited Balance Sheet Date	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2018
Shares of Associate held by the company as on 31.03.2018	412675	10,70,400	450000	323500
Amount Of Investment in Associates	9,71,000.00	5,09,99,200.00	45,00,000.00	58,84,855.00
Extend of Holding %	20.06%	22.45%	40.54%	20.74%
Description of how there is significant influence	Shareholding	Shareholding	Shareholding	Shareholding
Reason why the Associate is not consolidated	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Net worth attributable to Shareholding as per latest audited Balance sheet	4127345.00	38723001.48	4632053.37	10532627.73
Profit/Loss for the year				
i. Considered in Consolidation	--	--	--	--
ii. Not Considered in Consolidation	--	--	--	--

**SHRADHA PROJECTS LIMITED**

Name of Associates	<b>Lilac Properties Private Limited</b>	<b>Manoj Fincom Private Limited</b>	<b>Accord Properties Private Limited</b>	<b>Infra Private</b>	<b>Khaitan Commercial Services (P) Ltd.</b>
Latest Audited Balance Sheet Date	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2018		<u>As at 31<sup>st</sup> March 2018</u>
Shares of Associate held by the company as on 31.03.2018	126357	85500	136871		837000
Amount Of Investment in Associates	1,94,81,311.00	91,00,000.00	15719152		84,30,000.00
Extend of Holding %	44.41%	25.29%	47.19%		48.94%
Description of how there is significant influence	Shareholding	Shareholding	Shareholding		Shareholding
Reason why the Associate is not consolidated	Not Applicable	Not Applicable	Not Applicable		Not Applicable
Net worth attributable to Shareholding as per latest audited Balance sheet	22432749.13	10120189.54	18474648.57		36422739.53
Profit/Loss for the year					
i. Considered in Consolidation	--	--	--		--
ii. Not Considered in Consolidation	--	--	--		--

**SHRADHA PROJECTS LIMITED**

<b>Name of Associates</b>	<b>Shradha Infra Realty Private Limited</b>	<b>Shradha Technopack Private Limited</b>	<b>The Majestic Packaging Co. Private Limited</b>	<b>Vibra Tech Infrastructure Private Limited</b>	<b>Khaitan Chemicals &amp; Fertilizers Limited</b>
Latest Audited Balance Sheet Date	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2018
Shares of Associate held by the company as on 31.03.2018	124980	212100	568910	75787	4,57,63,640
Amount Of Investment in Associates	11005240.00	26293000.00	15703970	15548288.00	9,64,77,116.93
Extend of Holding %	40.72%	38.95%	25.22%	45.81%	47.18%
Description of how there is significant influence	Shareholding	Shareholding	Shareholding	Shareholding	Shareholding
Reason why the Associate is not consolidated	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Net worth attributable to Shareholding as per latest audited Balance sheet	22755489.59	28601989.13	34628235.25	18797921.86	614883257.8
Profit/Loss for the year					
i. Considered in Consolidation	--	--	--	--	--
ii. Not Considered in Consolidation	--	--	--	--	--

**Form No MR-3**

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2018**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 09 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
SHRADHA PROJECTS LIMITED  
46 RAFI AHMED KIDWAI ROAD  
3<sup>RD</sup> FLOOR  
KOLKATA - 700001

I have conducted the **Secretarial Audit** of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SHRADHA PROJECTS LIMITED (hereinafter called "The Company")**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period ended on **31<sup>st</sup> March, 2018** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **SHRADHA PROJECTS LIMITED ("The Company")** for the period ended 31<sup>st</sup> March, 2018 on according to the provisions of:

- i) The Companies Act, 2013 (**the Act**) and the rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made there under;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) to the extent applicable to the Company:-
  - a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreement entered into by the Company with the Calcutta Stock Exchange Limited and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Regulations etc. mentioned above subject to the following observations:

**During the audit period it was further observed that the company has not complied with certain provisions of Companies act 2013 and Securities and Exchange Board of India Act, 1992 ('SEBI Act'). Further the above noncompliances do not have a major bearing on the Company's affairs.**

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.

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

As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

During the audit period there were no specific events/ actions in pursuance of the above referred laws, rules, regulations and guidelines etc., having a major bearing on the Company's affairs.

**This Report is to be read with the Auditor's Note on the Maintenance of Secretarial Records of the Company as provided in ANNEXURE A and which forms an integral part of this Secretarial Audit Report.**

**For Rohit Singhi & Co.**  
Company Secretary

Place: Kolkata  
Date: 20<sup>th</sup> July 2018

**Rohit Singhi**  
Proprietor  
ACS No. - 43484  
CP. No. 16021

**"ANNEXURE A"**  
**[Auditor's Note on the Maintenance of Secretarial Records of SHRADHA PROJECTS  
LIMITED  
For the financial year ended 31 st March' 2018]**

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

Maintenance of Secretariat records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.

I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretariat records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices that I have followed provide a reasonable basis for our opinion.

I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

Where ever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.

The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.

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

**For Rohit Singhi & Co.**  
Company Secretary

Place: Kolkata  
Date: 20<sup>th</sup> July, 2018

**Rohit Singhi**  
Proprietor  
ACS No. - 43484  
CP. No. 16021

# SHRADHA PROJECTS LIMITED

Annexure -IV to the Boards Report

## EXTRACT OF ANNUAL RETURN As on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:		
1	CIN	L27109WB1992PLC054108
2	Registration Date	13.01.1992
3	Name of the Company	SHRADHA PROJECTS LTD
4	Category/Sub-category of the Company	COMPANY LIMITED BY SHARE INDIAN NON-GOVT COMPANY
5	Address of the Registered office & contact details	46C,RAFI AHMED KIDWAI ROAD,3RD FLOOR,KOLKATA-700016
6	Whether listed company	LISTED
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Niche Technologies Pvt Ltd 71, Canning Street, Kolkata - 700 001

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of
1	Trading of Shares & Securities	6499	68.63
2	Lending Activity	6492	31.27
3	Paper & Paper Products	1701	0.10

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES						
SN	Name and address of the Company	Address	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Arati Marketing (P) Ltd.	46C, Rafi Ahmed Kidwai Road, 3rd Floor, Kolkata - 700001	U51909WB1996PTC080389	Associate	20.06	2(6)
2	B. O. Constructions Pvt. Ltd.	Farm No. 13/3, DLF, KH. No. 1355/2 MIN 1354, 1012, 1013, 1014, 1015, Chhatarpur Extn	U00000DL2000PTC103440	Associate	22.45	2(6)
3	Indus Valley World School (P) Ltd.	46C, Rafi Ahmed Kidwai Road, 3rd Floor, Kolkata - 700001	U80301WB2008PTC125729	Associate	40.54	2(6)
4	Khaitan Commercial Services (P) Ltd.	46C, Rafi Ahmed Kidwai Road, 3rd Floor, Kolkata - 700001	U63090WB2003PTC097165	Associate	48.94	2(6)
5	Khaitan Paper Packaging (P) Ltd.	46C, Rafi Ahmed Kidwai Road, 3rd Floor, Kolkata - 700001	U36999WB1991PTC052008	Associate	20.74	2(6)
6	Khaitan Chemicals & Fertilizers Ltd.	A.B.Road, Village- Nimrani, KHARGONE Madhya Pradesh - 451569	L24219MP1982PLC004937	Associate	47.18	2(6)
7	Lilac Propertes (P) Ltd.	46C, Rafi Ahmed Kidwai Road, 3rd Floor, Kolkata - 700001	U70109WB2010PTC151649	Associate	44.41	2(6)
8	Manoj Fincom (P) Ltd.	46C, Rafi Ahmed Kidwai Road, 3rd Floor, Kolkata - 700001	U65993WB1997PTC083349	Associate	25.29	2(6)
9	Shradha Infra Realty Pvt. Ltd.	46C, Rafi Ahmed Kidwai Road, 3rd Floor, Kolkata - 700001	U70200WB2010PTC152202	Associate	40.72	2(6)
10	Shradha Technopack (P) Ltd.	46C, Rafi Ahmed Kidwai Road, 3rd Floor, Kolkata - 700001	U21098WB2010PTC152203	Associate	38.95	2(6)
11	The Majestic Packaging (P) Ltd.	46C, Rafi Ahmed Kidwai Road, 3rd Floor, Kolkata - 700001	U28992WB1976PTC030791	Associate	25.22	2(6)
12	Vibra Tech Infrastrucure (P) Ltd.	46C, Rafi Ahmed Kidwai Road, 3rd Floor, Kolkata - 700001	U45400DL2007PTC171549	Associate	45.81	2(6)
13	Accord Infra Properties (P) LTd.	46C, Rafi Ahmed Kidwai Road, 3rd Floor, Kolkata - 700001	U70109WB2010PTC151651	Associate	47.19	2(6)

## CFO CERTIFICATION UNDER REGULATION 17(8)

**To,  
The Board of Directors  
Shradha Projects Ltd.**

1. We have reviewed financial statements and the Cash Flow Statement of Shradha Projects Ltd. for the year ended 31<sup>st</sup> March, 2018 and to take best of our knowledge & belief:
  - i) These statement do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept the responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:
  - (i) that there are no significant changes in internal control over financial reporting during the year.
  - (ii) that there are no significant changes in accounting policies during the year; and
  - (iii) that there are no instances of significant fraud of which we have become aware.

---

**Md. Rafiullah**  
(Chief Financial Officer)

## **Independent Auditor's Report**

**To  
The Members of  
SHRADHA PROJECTS LIMITED**

### **Report on the Standalone Financial Statements**

We have audited the accompanying Standalone Financial Statements of **SHRADHA PROJECTS LIMITED ("the Company")** which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

### **Opinion**

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 accounting principles generally accepted in India:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;

and

(b) in the case of Statement of Profit and Loss, of the Profit for the year ended on that date.

and

(c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statement – Note No. 2.34 to the Financial Statements.
    - ii. The Company does 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.

Place:- 5 & 6, Fancy Lane 3<sup>rd</sup> Floor,  
Room No. 9,  
Kolkata- 700 001

For VASUDEO & ASSOCIATES  
Chartered Accountants

Dated: The 30<sup>th</sup> Day of May, 2018

CA. VASUDEO AGARWAL  
(Partner)  
Membership. No. 054784  
Firm Reg No. 319299E

## Annexure -A to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the standalone financial statements of the Company for the year ended March 31, 2018:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the company.
- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals.
- (b) As explained to us, no material discrepancies have been noticed on physical verification of inventories as compared to the book records.
- 3) The company has given loans to Three (3) companies covered in the register maintained under section 189 of the Companies Act, 2013.

In our opinion the terms and conditions on which loans have been granted to companies, firms or other parties listed in the registers maintained under section 189 of the Companies Act, 2013 are not prejudicial to the interest of the company.

The parties have been regular in the payment of interest.

There is no overdue amount of loan granted to companies, firms or limited liability partnerships or other parties listed in the registers maintained under section 189 of the Companies Act, 2013.

- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute ***except the below mentioned cases:***

Statement of Disputed Dues

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	4.87 Lacs	Asst. Year 2014-2015	CIT (A) - Kolkata	Refer Note No. 2.34(i)
Income Tax Act, 1961	Income Tax	10.67 Lacs	Asst. Year 2010-2011	CIT (A) - Kolkata	Refer Note No. 2.34(ii)
Wealth Tax Act, 1957	Wealth Tax	21.05 Lacs	AY 2009-2010 to 2013-2014	CIT (A) - Kolkata	Refer Note No. 2.34(iii)

- 8) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in the repayment of loans and borrowings to a financial institution, bank, government or dues to debenture holders.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 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.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) The Company is a Non Banking Financial Company and is required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly have obtained the required registration certificate from the Reserve Bank of India.

Place:- 5 & 6, Fancy Lane 3<sup>rd</sup> Floor,  
Room No. 9,  
Kolkata- 700 001

For VASUDEO & ASSOCIATES  
Chartered Accountants

Dated: The 30<sup>th</sup> Day of May, 2018

CA. VASUDEO AGARWAL  
(Partner)  
Membership No. 054784  
Firm Reg No. 319299E

## **“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of SHRADHA PROJECTS LIMITED**

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

We have audited the internal financial controls over financial reporting of **SHRADHA PROJECTS LIMITED** (“the Company”) as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 judgement, 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 March 31, 2018, 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.

Place:- 5 & 6, Fancy Lane 3<sup>rd</sup> Floor,  
Room No. 9,  
Kolkata- 700 001

For VASUDEO & ASSOCIATES  
Chartered Accountants

Dated: The 30<sup>th</sup> Day of May, 2018

CA. VASUDEO AGARWAL  
(Partner)  
Membership. No. 054784  
Firm Reg No. 319299E

**SHRADHA PROJECTS LIMITED**  
**Standalone Balance Sheet as at 31st March, 2018**

(Amount in ₹)

Particulars	Note No.	As at 31st March 2018	As at 31st March 2017
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>Shareholder's Funds</u></b>			
Share Capital	2.1	7,71,24,140.00	7,71,24,140.00
Reserves and Surplus	2.2	42,44,48,752.00	41,93,83,306.11
<b><u>Non-Current Liabilities</u></b>			
Long Term Borrowings	2.3	96,83,000.00	1,37,48,783.00
Long Term Provisions	2.4	-	1,12,358.00
<b><u>Current Liabilities</u></b>			
Short-Term Borrowings	2.5	8,05,059.45	2,20,426.64
Other Current Liabilities	2.6	42,02,132.08	2,01,58,877.85
Short- Term Provisions	2.7	2,91,289.00	3,03,974.00
<b>Total</b>		51,65,54,372.53	53,10,51,865.60
<b><u>ASSETS</u></b>			
<b><u>Non-Current Assets</u></b>			
<b><u>Fixed Assets</u></b>			
Tangible Assets	2.8	1,37,89,525.54	1,94,79,049.76
Non- Current Investments	2.9	31,34,10,065.15	30,32,56,262.15
Deferred Tax Asset	2.10	11,03,831.00	4,12,820.00
Long Term Loans And Advances	2.11	94,26,804.50	1,91,90,389.50
Other Non-Current Assets	2.12	11,11,345.68	20,58,570.88
<b><u>Current Assets</u></b>			
Inventories	2.13	4,99,02,446.36	5,30,75,648.36
Trade Receivables	2.14	-	5,83,537.00
Cash And Bank Balances	2.15	32,48,602.27	36,86,835.42
Short-Term Loans And Advances	2.16	12,36,14,426.83	12,80,25,790.41
Other Current Assets	2.17	9,47,325.20	12,82,962.12
<b>Total</b>		51,65,54,372.53	53,10,51,865.60
<b>Significant Accounting Policies</b>	<b>1</b>		
<b>Notes on Financial Statements</b>	<b>2</b>	-	-

The notes referred to above form an integral part of the Financial Statement

As per attached report on even date

For **VASUDEO & ASSOCIATES**

Firm Reg. No. 319299E

CHARTERED ACCOUNTANTS

For and On behalf of the board

**CA. VASUDEO AGARWAL**

(Partner)

M.No- 054784

**S. L. GUPTA**

Director

DIN- 00041007

**B. K. KESAN**

Director

DIN - 00038489

Place : Kolkata

Date : May 30, 2018

**MD. RAFIULLAH**

Chief Financial Officer

PAN- BLWPR4409L

**N. AGIWAL**

Company Secretary

PAN- BDJPA6622B

# SHRADHA PROJECTS LIMITED

## Standalone Statement of Profit and Loss for the year ended 31st March, 2018

(Amount in ₹)

Particulars	Note No	2017-18	2016-17
<b><u>INCOME</u></b>			
Revenue from operations	2.18	1,88,22,047.45	1,29,54,352.00
Other Income	2.19	36,19,494.54	35,39,913.00
<b>Total Revenue</b>		<b>2,24,41,541.99</b>	<b>1,64,94,265.00</b>
<b><u>EXPENDITURE</u></b>			
Purchase of Stock-in-Trade	2.20	-	66,008.00
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	2.21	31,73,202.00	(3,44,758.00)
Employee benefit expense	2.22	25,99,012.00	28,51,963.00
Financial costs	2.23	13,80,732.12	11,57,648.76
Depreciation and amortization expense	2.24	56,89,524.22	28,89,745.22
Other Expenses	2.25	24,59,136.76	10,67,226.65
<b>Total Expenses</b>		<b>1,53,01,607.10</b>	<b>76,87,833.63</b>
<b>Profit before Exceptional Items and Tax</b>		<b>71,39,934.89</b>	<b>88,06,431.37</b>
Exceptional Items		-	-
<b>Profit before tax</b>		<b>71,39,934.89</b>	<b>88,06,431.37</b>
<b><u>Tax expense:</u></b>			
1) Current tax	2.26	27,65,000.00	29,00,000.00
2) Deferred tax		(6,91,011.00)	74,752.00
3) Income tax for earlier year		500.00	3,16,102.00
<b>Profit(Loss) for the period</b>		<b>50,65,445.89</b>	<b>55,15,577.37</b>
<b>Earning per equity share:</b>			
1) Basic (Equity Share Face Value ₹ 10/- each)	2.27	0.66	0.72
2) Diluted (Equity Share Face Value ₹ 10/- each)		0.66	0.72
<b>Significant Accounting Policies</b>	<b>1</b>		
<b>Notes on Financial Statements</b>	<b>2</b>		

The notes referred to above form an integral part of the Financial Statement

As per attached report on even date

For **VASUDEO & ASSOCIATES**

Firm Reg. No. 319299E

CHARTERED ACCOUNTANTS

**CA. VASUDEO AGARWAL**

(Partner)

M.No- 054784

Place : Kolkata

Date : May 30, 2018

**For and On behalf of the board**

**S. L. GUPTA**

Director

DIN- 00041007

**B. K. KESAN**

Director

DIN - 00038489

**MD. RAFIULLAH**

Chief Financial Officer

PAN- BLWPR4409L

**N. AGIWAL**

Company Secretary

PAN- BDJPA6622B

# SHRADHA PROJECTS LIMITED

## 1. SIGNIFICANT ACCOUNTING POLICIES

### A. Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Reserve Bank of India, wherever applicable.

The financial statement has been prepared under the historical cost convention using accrual method of accounting

### B. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting standards generally accepted in India requires judgments, estimates and assumptions to be made that affect the reported amounts of assets and liabilities and the disclosures relating to Contingent Assets and Contingent liabilities as on the date of the financial statements and the reported amount of Revenues and Expenses during reporting period. Management believes that the estimates used in the preparation of the Financial Statements are prudent and reasonable. Actual results could differ from those estimates.

### C. Fixed Assets

All Fixed Assets are stated at acquisition cost less accumulated depreciation.

### D. Depreciation

Depreciation on Fixed Assets has been provided on written down value method. Depreciation is provided on based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Premium paid on Leasehold Land is amortized over a period of Lease.

### E. Investments

Investments are long term in nature and are stated at cost of acquisition. In the opinion of the management, the decline in the market value of investment is temporary in nature; hence no provision for diminution in the value of investments has been made.

### F. Inventories

Shares and Securities, & Jewellery purchased for trading purpose are shown as Inventories under the head current assets and are valued at cost or market price/ breakup value whichever is lower.

### G. Revenue Recognition

#### Sales

Income from Sale of Shares/Painting & Jewellery is recognised on the date of transaction.

# SHRADHA PROJECTS LIMITED

## **Interest Income**

Interest on Loan is recognised on a time proportion basis taking into account the outstanding amount and the applicable rate.

## **H. Retirement Benefits**

Gratuity is charged to Profit & Loss Account on the basis of contribution made to the Khaitan Group of Industries (Trust) maintained by LIC Of India.

## **I. Taxation**

Provision of Current tax is made with reference to taxable income computed for the accounting period for which the financial statements are prepared by applying the tax rate as applicable. The deferred tax charge is recognized using the enacted tax rate. Deferred tax Assets are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax asset can be realized.

Deferred tax asset/liabilities are reviewed as at Balance sheet date based on the developments during the year and reassess assets/liabilities in terms of Accounting Standard - 22 issued by ICAI.

## **J. Earning Per Share (EPS)**

Basic and diluted earnings per share are computed in accordance with Accounting Standard 20 "Earnings per Share".

Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive.

## **K. Provision, Contingent Liabilities and Contingent Assets**

A provision is recognized when the company has a present obligation as a result of past event and it is probable that outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the notes to financial statements.

## SHRADHA PROJECTS LIMITED

### 2. Notes on Financial Statements for the Year ended 31st March, 2018

2.28 The Company has complied with the prudential norms as per NBFC's (Reserve Bank) Directions 1998 with regard to Income Recognition, Assets Classification, Accounting Standard and Provision for Bad & Doubtful Debts as applicable to it.

2.29 **Related Party Disclosure** :

Related party disclosures as required by AS-18 - 'Related Party Disclosure' are given below:

a) Key Management Personnel : Mr. S.K. Khaitan , Mr. S.L.Gupta, Mr. Rafiullah (CFO), and Mr. P. K. Das (Manager) , Miss Nayantara Agiwal (Company Secretary)

b) Detail of Transaction and Outstanding Balances :

(Amount in ₹ Lacs )

Name of the Party	Relationship	Nature of Transaction	Volume of Transaction		Outstanding as on	
			17-18	16-17	31.03.2018	31.03.2017
Khaitan Chemical & Fertilizer Ltd.	Associate	Loan Given	257.00	25.00	1048.15(Dr)	1065.90(Dr)
		Loan Repaid	274.75	195.00	--	--
		Rent Received	3.06	3.60	--	--
		Interest Rec.	115.50	128.00	--	--
		Dividend Received	22.88	22.88	--	--
The Majestic Pack. Co. (P) Ltd. *	Associate	Loan Given	-	6.96	--	--
		Loan Repaid	-	6.96	--	--
		Interest Received	-	0.35	--	--
Tribhuvan Properties Ltd.	KMP having Significant Influence	Loan Received	-	3.00	--	--
		Loan Repaid	-	63.00	--	--
		Interest Paid	-	1.41	--	--
Khaitan Paper & Packaging (P) Ltd.	Associate	Loan Given	-	266.25	--	--
		Loan Repaid	-	266.25	--	--
		Interest Recd	-	0.53	--	--
		Rent Paid	-	0.06	--	--
		Equity Shares Allotment Rec.	-	20.70	--	--
		Service Charges Received	8.85	-	--	--
Arati Marketing (P) Ltd.	Associate	Loan Received	43.00	125.00	--	--
		Loan Repaid	43.00	125.00	--	--
		Interest Paid	.50	.09	--	--
		Loan Given	88.00	--	--	--
		Loan Repaid	88.00	--	--	--
		Interest Received	0.45	--	--	--
		Purchase of Investment	--	1.74	--	--
B.D Memorial Institute	Associate	Loan Given	45.00	-	--	--
		Loan Repaid	45.00	--	--	--
		Interest Received	1.29	--	--	--
Accord Infra Properties (P) Limited	Associate	Investment	--	--	--	--
		Equity Shares Allotment Rec.	-	3.17	--	--
Lilac Properties (P) Limited	Associate	Investment	-	-	--	--
		Equity Shares Allotment Rec.	-	5.33	--	--

## SHRADHA PROJECTS LIMITED

Vibratech Infra (P) Ltd.	Associate	Loan Given	-	2.00	--	--
		Loan Repaid	-	3.10		
		Interest Recd	-	0.21		
Mr. P. K. Das	KMP	Remuneration	2.82	2.58	--	--
Md. Rafiullah	CFO	Remuneration	2.12	1.94	-	0.35 (Dr)
		Salary Advance	-	0.50		
Miss Nayantara Agiwal	Company Secretary	Remuneration	4.20	3.31	--	--

### 2.30 Quantitative Information for the year ended 31<sup>st</sup> March 2018

Particulars	Units	2017-2018		2016-2017	
		Qty	Amount(₹)	Qty	Amount(₹)
<u>Opening Stock</u>					
Shares & Securities	Nos	4,60,924	2,30,61,348.00	4,60,776	2,26,82,840.00
Papers		--	--	102	33,750.00
Jewellery & Painting		--	3,00,14,300.36	--	3,00,14,300.36
<u>Purchases</u>					
Shares & Securities	Nos	-	-	148	66,008.00
Papers		--	--	--	--
Jewellery & Painting		--	--	--	--
<u>Sales/Transfer</u>					
Shares & Securities	Nos	5,924	15,62,095.45	-	--
Papers		-	-	102	30,250.00
Jewellery & Painting		--	45,90,400.00	--	--
<u>Closing Stock</u>					
Shares & Securities	Nos	4,55,000	2,18,40,000.00	4,60,924	2,30,61,348.00
Papers		--	--	--	--
Jewellery & Painting		--	2,80,62,446.36	--	3,00,14,300.36

## SHRADHA PROJECTS LIMITED

### 2.31 Information about Primary Business Segment:

(₹ in Lacs )

Particulars	2017-2018					2016-2017			
	Shares	Loan	Jewellery	Paper	Total	Shares	Loan	Paper	Total
<b>A: REVENUE</b>									
Total Revenue	15.62	126.70	45.90	-	188.22	--	131.88	0.30	132.18
<b>B: RESULT</b>									
Segment Result	3.41	112.90	26.38	-	142.69	3.12	120.30	(0.03)	123.39
Less: Unallocated Corporate Expenses net of unallocated income.					71.29				35.33
Operating Profit					71.40				88.06
Less: Tax Expenses					12.45				32.91
Net Profit					<b>58.96</b>				<b>55.16</b>
<b>C: OTHER INFORMATION</b>									
Segment Assets	3250.78	1185.74	280.62	--	4717.14	3263.18	1100.56	--	4363.74
Unallocated Corporate Assets					448.40				946.78
<b>Total Assets</b>					<b>5165.54</b>				<b>5310.52</b>
Segment Liabilities	--	148.46		--	148.46	--	193.98	--	193.98
Unallocated Corporate Liabilities					1.35				151.46
<b>Total Liabilities</b>					<b>149.81</b>				<b>345.44</b>
Depreciation	--	--			56.89	--	--		28.09
Non-cash Expenses other than depreciation					--				--

2.32 Management has determined that there were no balances outstanding as at the beginning of the year and no transactions entered with Micro, Small and Medium Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006, during the current year, based on the information available with the Company as at March 31, 2018.

### 2.33 Details of Contingent Liability :

- i) The Company has mortgaged its Fixed Assets viz Apartment No.206, 2<sup>ND</sup> Floor, Appollo Arcade, 1 / 2 Old Palasia -Indore and Flat No. 402 situated at Twin Tower, 5 / 2 Old Palasia, Indore with IDBI Bank as a security on the Term Loan taken by M/s Khaitan Chemical & Fertilizers Limited of ₹ 10 Crores.

## SHRADHA PROJECTS LIMITED

- ii) The Company has given Corporate Guarantee towards a Loan of ₹ 2521 Lacs raised by B.D.Memorial Institute from Allahabad Bank.
- iii) The Company has given Guarantee towards a Loan of ₹ 3051 Lacs raised by Gopal Chakraborty Charitable Trust from Allahabad Bank.
- iv) The Company has given Corporate Guarantee towards a Loan of ₹ 3000 Lacs raised by Khaitan Chemicals & Fertilizers Limited from State Bank Of India, Commercial Branch, Indore.
- 2.34 (i) The Company has received Order Under Section 143(3) of the Income Tax Act, 1961 for the financial year 2013-2014 (Asst Year 2014-2015) in which certain additions were made by the income tax department while computing the tax liability of the company and accordingly demand of ₹ 4.87 Lacs has been raised by the Authority. But an appeal has been preferred by the Company with CIT(Appeals) for defending the case and management is hoping that the case will be decided in the favour of the company, so no provision has been made in regard to demand raised by the Income Tax Department. The Company has paid ₹ 0.73 Lacs under protest to the Department.
- (ii) The Company has received Order Under Section 147/143(3) of the Income Tax Act, 1961 for the financial year 2009-2010 (Asst Year 2010-11) in which certain additions were made by the income tax department while computing the tax liability of the company and accordingly demand of ₹ 10.67 Lacs has been raised by the Authority. But an appeal has been preferred by the Company with CIT(Appeals) for defending the case and management is hoping that the case will be decided in the favour of the company, so no provision has been made in regard to demand raised by the Income Tax Department. The Company has paid ₹ 0.73 Lacs under protest to the Department.
- (iii) The Company has received Order Under Section 17/16(5) of the Wealth Tax Act, 1957 for the financial year 2008-2009 to 2012-2013 (AY 2009-2010 to 2013-2014) in which certain additions were made by the income tax department while computing the tax liability of the company and accordingly demand of ₹ 21.05 Lacs has been raised by the Authority. But an appeal has been preferred by the Company with CWT(Appeals) for defending the case and management is hoping that the case will be decided in the favour of the company, so no provision has been made in regard to demand raised by the Income Tax Department. The Company has paid ₹ 4.21 Lacs under protest to the Department.
- 2.35 Schedule in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 is annexed hereto separately.
- 2.36 Previous Year figures have been regrouped and/or rearranged wherever considered necessary.

As per our report of even date.

For VASUDEO & ASSOCIATES  
Firm Reg.No 319299E  
CHARTERED ACCOUNTANTS

**On behalf of the Board**

**CA. VASUDEO AGARWAL**  
(Partner)  
M.No - 054784

**S. L. GUPTA**  
Director  
DIN- 00041007

**B. K. KESAN**  
Director  
DIN - 00038489

Place: Kolkata  
Date: May 30, 2018

**MD. RAFIULLAH**  
Chief Financial Officer  
PAN- BLWPR4409L

**N. AGIWAL**  
Company Secretary  
PAN- BDJPA6622B

## **Independent Auditor's Report**

**To**  
**The Members of**  
**SHRADHA PROJECTS LIMITED**

### **Report on the Consolidated Financial Statements**

We have audited the accompanying Consolidated Financial Statements of **SHRADHA PROJECTS LIMITED** (hereinafter referred to as "the Company") and its associates comprising of the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Consolidated 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 Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

### **Opinion**

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 accounting principles generally accepted in India:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018;

and

(b) in the case of Statement of Profit and Loss, of the Profit for the year ended on that date.

and

(c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **Other Matters**

The Consolidated Financial Statement includes the Groups share of Profit of ` 2,65,42,749/- for the financial year ended 31st March 2018, as considered in the consolidated financial statements, in respect of 15 associates, out of which none was audited by us. The aforesaid financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

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

1. As required by section 143 (3) of the Act, we report that:

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- b. in our opinion proper books of accounts, proper books of accounts as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditors;
- c. the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of the consolidated financial statements;
- d. in our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors of the Company as on 31<sup>st</sup> March, 2018 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its associate company incorporated in India, none of the directors of the Company and its associate company incorporated in India is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A” which is based on the auditors report of the Company and its associate companies incorporated in India.
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statement – Note No. 2.34 to the Financial Statements.

- ii The Company does 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.

Place:- 5 & 6, Fancy Lane 3<sup>rd</sup> Floor,  
Room No. 9,  
Kolkata- 700 001

For VASUDEO & ASSOCIATES  
Chartered Accountants

Dated: The 30<sup>th</sup> Day of May, 2018

CA. VASUDEO AGARWAL  
(Partner)  
Membership. No. 054784  
Firm Reg No. 319299E

**“Annexure A” to the Independent Auditor’s Report of even date on the Consolidated Financial Statements**  
**SHRADHA PROJECTS LIMITED**

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

We have audited the internal financial controls over financial reporting of **SHRADHA PROJECTS LIMITED** and its associates as of March 31, 2018 in conjunction with our audit of the consolidated 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. 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 judgement, 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 March 31, 2018, 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.

### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 15 associate company which are incorporated in India, is based on the corresponding standalone report of the auditors, as applicable, of such companies incorporated in India.

Place:- 5 & 6, Fancy Lane 3<sup>rd</sup> Floor,  
Room No. 9,  
Kolkata- 700 001

For VASUDEO & ASSOCIATES  
Chartered Accountants

Dated: The 30<sup>th</sup> Day of May, 2018

CA. VASUDEO AGARWAL  
(Partner)  
Membership. No. 054784  
Firm Reg No. 319299E

# SHRADHA PROJECTS LIMITED

## Notes on Consolidated Financial Statements for the Year ended 31st March, 2018

	2017-18 ₹	2016-17 ₹
<b>2.18 REVENUE FROM OPERATIONS</b>		
<b><u>Sale of Shares &amp; Securities</u></b>		
Shares	15,62,095.45	-
<b><u>Sale of Products</u></b>		
Paper & Paper Product	-	30,250.00
<b><u>Sale of Jewellery &amp; Painting</u></b>	45,90,400.00	-
<b><u>Interest Income</u></b>		
On Loan (TDS ₹ 12,66,954/-, P. Year ₹ 12,92,410/-)	1,26,69,552.00	1,29,24,102.00
	1,88,22,047.45	1,29,54,352.00
<b>2.19 OTHER INCOME</b>		
<b><u>Dividend Income</u></b>		
Dividend on Stock	13,340.00	13,058.00
Dividend on Non Current Investment	22,89,687.00	22,88,517.00
<b><u>Interest Income</u></b>		
On Fixed Deposits (TDS ₹ 21,460/-, P. Year ₹ 26,409/-)	2,13,895.20	2,64,088.00
<b>Profit/(Loss) on Sale of Investment</b>	11,199.34	-
<b><u>Other Non-Operating Income</u></b>		
Rental Income (TDS ₹ 30,508/-, P. Year ₹ 36,000/-)	3,05,088.00	3,60,000.00
Commission Income (TDS ₹ Nil, P. Year ₹ 30,713)	-	6,14,250.00
Service Income	7,73,600.00	-
Provision for Standard Assets - Written back	12,685.00	-
	36,19,494.54	35,39,913.00
<b>2.20 PURCHASE OF STOCK IN TRADE</b>		
Shares & Securities	-	66,008.00
	-	66,008.00
<b>2.21 (INCREASE) / DECREASE IN THE INVENTORIES OF STOCK-IN-TRADE</b>		
Inventories at the beginning of the year	5,30,75,648.36	5,27,30,890.36
Inventories at the end of the year	4,99,02,446.36	5,30,75,648.36
	31,73,202.00	(3,44,758.00)
<b>2.22 EMPLOYEE BENEFITS EXPENSES</b>		
Salary & Bonus	25,99,012.00	28,51,963.00
	25,99,012.00	28,51,963.00
(Includes Managerial Remuneration ₹ 9.14 Lacs, Prev. Year ₹ 7.83 Lacs)		

# SHRADHA PROJECTS LIMITED

## Notes on Consolidated Financial Statements for the Year ended 31st March, 2018

	2017-18 ₹	2016-17 ₹
<b>2.23 FINANCE COSTS</b>		
<u>INTEREST PAID</u>		
<u>On Overdraft</u>		
To Bank	47,536.00	22,456.30
<u>On Unsecured Loan</u>		
To Others	50,334.00	4,31,560.00
<u>On Car Loan</u>		
To Banks	12,82,862.12	7,03,632.46
	13,80,732.12	11,57,648.76
<b>2.24 DEPRECIATION AND AMORTIZATION EXPENSES</b>		
Depreciation and Amortization	56,89,524.22	28,89,745.22
	56,89,524.22	28,89,745.22
<b>2.25 OTHER EXPENSES</b>		
a) Rates and taxes, excluding, taxes on income	48,560.00	4,400.00
b) <u>Payment to Auditors</u>		
i) As Audit Fees	28,000.00	32,200.00
ii) As Tax Audit Fees	5,000.00	5,750.00
iii) For Other Matter	4,000.00	42,665.00
c) Rent	6,000.00	6,000.00
d) Insurance Charges	3,61,868.00	1,75,318.00
e) Miscellaneous expenses	3,06,627.76	3,55,569.65
f) Professional Fees	9,05,026.00	97,349.00
g) Motor Car Running & Maintenance	7,94,055.00	3,47,204.00
h) Provision For Standard Asset	-	771.00
	24,59,136.76	10,67,226.65
<b>2.26 TAX EXPENSES</b>		
a) <u>Current Tax</u>		
Provision for Taxation	27,65,000.00	29,00,000.00
Less: MAT Credit Entitlement	8,30,361.00	-
	19,34,639.00	29,00,000.00
b) <u>Deferred Tax</u>		
Deferred Tax Asset	(6,91,011.00)	74,752.00
<b>2.27 EARNING PER SHARE (BASIC/DILUTED)</b>		
Net Profit as per Profit & Loss Statement	3,16,08,194.89	55,35,118.82
Weighted Average Number of Equity Shares	77,12,414	77,12,414
Earning per Share (Basic/ Diluted)	4.10	0.72

# SHRADHA PROJECTS LIMITED

## 1. SUMMARY OF CONSOLIDATED SIGNIFICANT ACCOUNTING POLICIES

- 1.1 The consolidated financial statements have been prepared in accordance with the Accounting Standard (AS) - 23 on "Accounting for Investments in Associates in Consolidated Financial Statements".
- 1.2 The consolidated financial statements relates to The Holding Company and its associates. The details are as given below:-

Name of Associates	Country Of Incorporation	Proportion of Ownership Interest
ARATI MARKETING PRIVATE LIMITED	INDIA	20.06%
B O CONSTRUCTION PRIVATE LIMITED	INDIA	22.45%
INDUS VALLEY WORLD SCHOOL PRIVATE LIMITED	INDIA	40.54%
KHAITAN COMMERCIAL SERVICES PRIVATE LIMITED	INDIA	48.94%
KHAITAN PAPER & PACKAGING PRIVATE LIMITED	INDIA	20.74%
LILAC PROPERTIES PRIVATE LIMITED	INDIA	44.41%
MANOJ FINCOM PRIVATE LIMITED	INDIA	25.29%
SHRADHA INFRA REALTY PRIVATE LIMITED	INDIA	40.72%
SHRADHA TECHNOPACK PRIVATE LIMITED	INDIA	38.95%
THE MAJESTIC PACKAGING PRIVATE LIMITED	INDIA	25.22%
VIBRA TECH INFRA PRIVATE LIMITED	INDIA	42.97%
ACCORD INFRA PRIVATE LIMITED	INDIA	47.19%
KHAITAN CHEMICALS & FERTILIZERS LIMITED	INDIA	47.18%

### 1.3 Consolidation Process

Investment in Associates are accounted in accordance with AS-23 on "Accounting for Investments in Associates in Consolidated Financial Statements", under equity method. The difference between cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the consolidated financial statements as Goodwill or Capital Reserve as the case may be.

### 1.4 Other Significant Accounting Policies

#### A. Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Reserve Bank of India, wherever applicable.

The financial statement has been prepared under the historical cost convention using accrual method of accounting

#### B. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting standards generally accepted in India requires judgments, estimates and

# SHRADHA PROJECTS LIMITED

assumptions to be made that affect the reported amounts of assets and liabilities and the disclosures relating to Contingent Assets and Contingent liabilities as on the date of the financial statements and the reported amount of Revenues and Expenses during reporting period. Management believes that the estimates used in the preparation of the Financial Statements are prudent and reasonable. Actual results could differ from those estimates.

## C. Fixed Assets

All Fixed Assets are stated at acquisition cost less accumulated depreciation.

## D. Depreciation

Depreciation on Fixed Assets has been provided on written down value method. Depreciation is provided on based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Premium paid on Leasehold Land is amortized over a period of Lease.

## E. Investments

Investments are long term in nature and are stated at cost of acquisition. In the opinion of the management, the decline in the market value of investment is temporary in nature; hence no provision for diminution in the value of investments has been made.

## F. Inventories

Shares and Securities, & Jewellery purchased for trading purpose are shown as Inventories under the head current assets and are valued at cost or market price/ breakup value whichever is lower.

## G. Revenue Recognition

### Sales

Income from Sale of Shares/Painting & Jewellery is recognised on the date of transaction.

### Interest Income

Interest on Loan is recognised on a time proportion basis taking into account the outstanding amount and the applicable rate.

## H. Retirement Benefits

Gratuity is charged to Profit & Loss Account on the basis of contribution made to the Khaitan Group of Industries (Trust) maintained by LIC Of India.

# SHRADHA PROJECTS LIMITED

## **I. Taxation**

Provision of Current tax is made with reference to taxable income computed for the accounting period for which the financial statements are prepared by applying the tax rate as applicable. The deferred tax charge is recognized using the enacted tax rate. Deferred tax Assets are recognized only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax asset can be realized.

Deferred tax asset/liabilities are reviewed as at Balance sheet date based on the developments during the year and reassess assets/liabilities in terms of Accounting Standard - 22 issued by ICAI.

## **J. Earning Per Share (EPS)**

Basic and diluted earnings per share are computed in accordance with Accounting Standard 20 "Earnings per Share".

Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive.

## **K. Provision, Contingent Liabilities and Contingent Assets**

A provision is recognized when the company has a present obligation as a result of past event and it is probable that outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the notes to financial statements.

## SHRADHA PROJECTS LIMITED

### 2. Notes on Consolidated Financial Statements for the Year ended 31st March, 2018

2.28 The Company has complied with the prudential norms as per NBFC's (Reserve Bank) Directions 1998 with regard to Income Recognition, Assets Classification, Accounting Standard and Provision for Bad & Doubtful Debts as applicable to it.

2.29 **Related Party Disclosure** :

Related party disclosures as required by AS-18 - 'Related Party Disclosure' are given below:

a) Key Management Personnel : Mr. S.K. Khaitan , Mr. S.L.Gupta, Mr. Rafiullah (CFO), and Mr. P. K. Das (Manager) , Miss Nayantara Agiwal (Company Secretary)

b) Detail of Transaction and Outstanding Balances :

(Amount in ₹ Lacs )

Name of the Party	Relationship	Nature of Transaction	Volume of Transaction		Outstanding as on	
			17-18	16-17	31.03.2018	31.03.2017
Khaitan Chemical & Fertilizer Ltd.	Associate	Loan Given	257.00	25.00	1048.15(Dr)	1065.90(Dr)
		Loan Repaid	274.75	195.00	--	--
		Rent Received	3.06	3.60	--	--
		Interest Rec.	115.50	128.00	--	--
		Dividend Received	22.88	22.88	--	--
The Majestic Pack. Co. (P) Ltd. *	Associate	Loan Given	-	6.96	--	--
		Loan Repaid	-	6.96	--	--
		Interest Received	-	0.35	--	--
Tribhuvan Properties Ltd.	KMP having Significant Influence	Loan Received	-	3.00	--	--
		Loan Repaid	-	63.00	--	--
		Interest Paid	-	1.41	--	--
Khaitan Paper & Packaging (P) Ltd.	Associate	Loan Given	-	266.25	--	--
		Loan Repaid	-	266.25	--	--
		Interest Recd	-	0.53	--	--
		Rent Paid	-	0.06	--	--
		Equity Shares Allotment Rec.	-	20.70	--	--
		Service Charges Received	8.85	-	--	--
Arati Marketing (P) Ltd.	Associate	Loan Received	43.00	125.00	--	--
		Loan Repaid	43.00	125.00	--	--
		Interest Paid	.50	.09	--	--
		Loan Given	88.00	--	--	--
		Loan Repaid	88.00	--	--	--
		Interest Received	0.45	--	--	--
		Purchase of Investment	--	1.74	--	--
B.D Memorial Institute	Associate	Loan Given	45.00	-	--	--
		Loan Repaid	45.00	--	--	--
		Interest Received	1.29	--	--	--
Accord Infra Properties (P) Limited	Associate	Investment	--	--	--	--
		Equity Shares Allotment Rec.	-	3.17	--	--
Lilac Properties (P) Limited	Associate	Investment	-	-	--	--
		Equity Shares Allotment Rec.	-	5.33	--	--

## SHRADHA PROJECTS LIMITED

Vibratech Infra (P) Ltd.	Associate	Loan Given	-	2.00	--	--
		Loan Repaid	-	3.10		
		Interest Recd	-	0.21		
Mr. P. K. Das	KMP	Remuneration	2.82	2.58	--	--
Md. Rafiullah	CFO	Remuneration	2.12	1.94	-	0.35 (Dr)
		Salary Advance	-	0.50		
Miss Nayantara Agiwal	Company Secretary	Remuneration	4.20	3.31	--	--

### 2.30 Quantitative Information for the year ended 31<sup>st</sup> March 2018

Particulars	Units	2017-2018		2016-2017	
		Qty	Amount(₹)	Qty	Amount(₹)
<u>Opening Stock</u>					
Shares & Securities	Nos	4,60,924	2,30,61,348.00	4,60,776	2,26,82,840.00
Papers		--	--	102	33,750.00
Jewellery & Painting		--	3,00,14,300.36	--	3,00,14,300.36
<u>Purchases</u>					
Shares & Securities	Nos	-	-	148	66,008.00
Papers		--	--	--	--
Jewellery & Painting		--	--	--	--
<u>Sales/Transfer</u>					
Shares & Securities	Nos	5,924	15,62,095.45	-	--
Papers		-	-	102	30,250.00
Jewellery & Painting		--	45,90,400.00	--	--
<u>Closing Stock</u>					
Shares & Securities	Nos	4,55,000	2,18,40,000.00	4,60,924	2,30,61,348.00
Papers		--	--	--	--
Jewellery & Painting		--	2,80,62,446.36	--	3,00,14,300.36

## SHRADHA PROJECTS LIMITED

### 2.31 Information about Primary Business Segment:

(₹ in Lacs )

Particulars	2017-2018					2016-2017			
	Shares	Loan	Jewellery	Paper	Total	Shares	Loan	Paper	Total
<b>A: REVENUE</b>									
Total Revenue	15.62	126.70	45.90	-	188.22	--	131.88	0.30	132.18
<b>B: RESULT</b>									
Segment Result	3.41	112.90	26.38	-	142.69	3.12	120.30	(0.03)	123.39
Less: Unallocated Corporate Expenses net of unallocated income.					71.29				35.33
Operating Profit					71.40				88.06
Less: Tax Expenses					12.45				32.91
Net Profit					<b>58.96</b>				<b>55.16</b>
<b>C: OTHER INFORMATION</b>									
Segment Assets	3250.78	1185.74	280.62	--	4717.14	3263.18	1100.56	--	4363.74
Unallocated Corporate Assets					448.40				946.78
<b>Total Assets</b>					<b>5165.54</b>				<b>5310.52</b>
Segment Liabilities	--	148.46		--	148.46	--	193.98	--	193.98
Unallocated Corporate Liabilities					1.35				151.46
<b>Total Liabilities</b>					<b>149.81</b>				<b>345.44</b>
Depreciation	--	--			56.89	--	--		28.09
Non-cash Expenses other than depreciation					--				--

2.32 Management has determined that there were no balances outstanding as at the beginning of the year and no transactions entered with Micro, Small and Medium Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006, during the current year, based on the information available with the Company as at March 31, 2018.

### 2.33 Details of Contingent Liability :

- i) The Company has mortgaged its Fixed Assets viz Apartment No.206, 2<sup>ND</sup> Floor, Appollo Arcade, 1 / 2 Old Palasia -Indore and Flat No. 402 situated at Twin Tower, 5 / 2 Old Palasia, Indore with IDBI Bank as a security on the Term Loan taken by M/s Khaitan Chemical & Fertilizers Limited of ₹ 10 Crores.

## SHRADHA PROJECTS LIMITED

- ii) The Company has given Corporate Guarantee towards a Loan of ₹ 2521 Lacs raised by B.D.Memorial Institute from Allahabad Bank.
- iii) The Company has given Guarantee towards a Loan of ₹ 3051 Lacs raised by Gopal Chakraborty Charitable Trust from Allahabad Bank.
- iv) The Company has given Corporate Guarantee towards a Loan of ₹ 3000 Lacs raised by Khaitan Chemicals & Fertilizers Limited from State Bank Of India, Commercial Branch, Indore.
- 2.34 (i) The Company has received Order Under Section 143(3) of the Income Tax Act, 1961 for the financial year 2013-2014 (Asst Year 2014-2015) in which certain additions were made by the income tax department while computing the tax liability of the company and accordingly demand of ₹ 4.87 Lacs has been raised by the Authority. But an appeal has been preferred by the Company with CIT(Appeals) for defending the case and management is hoping that the case will be decided in the favour of the company, so no provision has been made in regard to demand raised by the Income Tax Department. The Company has paid ₹ 0.73 Lacs under protest to the Department.
- (ii) The Company has received Order Under Section 147/143(3) of the Income Tax Act, 1961 for the financial year 2009-2010 (Asst Year 2010-11) in which certain additions were made by the income tax department while computing the tax liability of the company and accordingly demand of ₹ 10.67 Lacs has been raised by the Authority. But an appeal has been preferred by the Company with CIT(Appeals) for defending the case and management is hoping that the case will be decided in the favour of the company, so no provision has been made in regard to demand raised by the Income Tax Department. The Company has paid ₹ 0.73 Lacs under protest to the Department.
- (iii) The Company has received Order Under Section 17/16(5) of the Wealth Tax Act, 1957 for the financial year 2008-2009 to 2012-2013 (AY 2009-2010 to 2013-2014) in which certain additions were made by the income tax department while computing the tax liability of the company and accordingly demand of ₹ 21.05 Lacs has been raised by the Authority. But an appeal has been preferred by the Company with CWT(Appeals) for defending the case and management is hoping that the case will be decided in the favour of the company, so no provision has been made in regard to demand raised by the Income Tax Department. The Company has paid ₹ 4.21 Lacs under protest to the Department.
- 2.35 Schedule in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 is annexed hereto separately.
- 2.36 Previous Year figures have been regrouped and/or rearranged wherever considered necessary.

As per our report of even date.

For VASUDEO & ASSOCIATES  
Firm Reg.No 319299E  
CHARTERED ACCOUNTANTS

**On behalf of the Board**

**CA. VASUDEO AGARWAL**  
(Partner)  
M.No - 054784

**S. L. GUPTA**  
Director  
DIN- 00041007

**B. K. KESAN**  
Director  
DIN - 00038489

Place: Kolkata  
Date: May 30, 2018

**MD. RAFIULLAH**  
Chief Financial Officer  
PAN- BLWPR4409L

**N. AGIWAL**  
Company Secretary  
PAN- BDJPA6622B