

73rd ANNUAL REPORT 2020-2021

Shervani Industrial Syndicate Limited

Shervani Industrial Syndicate Limited

BOARD OF DIRECTORS

CHAIRMAN

Dr. Ashutosh Pratap Singh

MANAGING DIRECTOR

Mr. Saleem Iqbal Shervani

WHOLE TIME DIRECTOR & CHIEF FINANCIAL OFFICER

Mr. Tahir Hasan

DIRECTOR (CORPORATE AFFAIRS)

Mr. Sadiq Husain Siddiqui

DIRECTORS

Mr. Azher Nisar Shervani

Mr. Saeed Mustafa Shervani

Mr. Gopal Swarup Chaturvedi

Mr. Raju Verghese

Mr. Mohammad Aslam Sayeed

Ms. Aradhika Chopra

COMPANY SECRETARY

Mr. S.K. Shukla

AUDITORS

M/s. Gupta Vaish & Co.

Chartered Accountants,

Kanpur

BANKERS

State Bank of India

Union Bank of India

REGISTERED OFFICE

Shervani Nagar,

Sulem Sarai, Harwara

Prayagraj - 211015

Uttar Pradesh

Annual Report 2020-2021

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NOTICE is hereby given that the 73rd Annual General Meeting of the Members of Shervani Industrial Syndicate Limited will be held on Thursday, the 30th September, 2021 at 11.30 A.M. at 2, New Cantonment, Kanpur Road, Prayagraj, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:
 - a) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2021 together with the Reports of the Board of Directors and Auditors thereon; and
 - b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2021 together with the Report of the Auditors thereon.
2. To declare Dividend for the financial year ended on 31st March, 2021.
3. To appoint a Director in place of Mr. Azher Nisar Shervani (DIN: 00424635) as Director, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Raju Verghese (DIN: 01086812) as Director, who retires by rotation and being eligible, offers himself for re-appointment.
5. To ratify the appointment of M/s. Gupta Vaish & Co., Chartered Accountants (Firm Registration No. 005087C), as the Statutory Auditors of the Company and to fix their remuneration and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the appointment of M/s. Gupta Vaish & Co., Chartered Accountants (Firm Registration No. 005087C), as Auditors of the Company made at the 69th Annual General Meeting held on 28th September, 2017 for a period of five years, be and is ratified for the period from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and that the Auditors be paid such remuneration as may be fixed by the Board of Directors of the Company in consultation with the Audit Committee.”

SPECIAL BUSINESS

6. To ratify the remuneration of the Cost Auditors for the financial year ending 31st March, 2022 and, in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an

Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration payable to M/s Shishir Jaiswal & Co., Cost Accountants (Firm Registration No. 102450) appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the Cost Records of the Company for the financial year ending 31st March 2022 amounting to Rs. 40,000/- (Rupees Forty Thousand Only) plus taxes as applicable and re-imbursalment of actual travel/conveyance and out of pocket expenses incurred in connection with the aforesaid audit, as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified and confirmed.”

7. To approve the remuneration of Mr. Saleem Iqbal Shervani (DIN: 00023909) Managing Director for remaining tenure of his appointment i.e two years with effect from 3rd April, 2021 and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the said Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the members be and is hereby accorded for payment of the remuneration to Mr. Saleem Iqbal Shervani (DIN: 00023909) Managing Director of the Company for the remainder term of his office of two years with effect from 3rd April, 2021 to 2nd April, 2023, as recommended by the Nomination and Remuneration Committee, on the same terms and conditions approved by Members at the 70th Annual General Meeting of the Company held on 29th September, 2018.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution.”

8. To approve continuation of payment of remuneration to Executive Directors who are Promoters or part of Promoter Group in excess of threshold limits as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies

Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Section 197 Companies Act, 2013 (“Act”) and other applicable provisions, rules and regulations for the time being in force, the consent of the Company be and is hereby accorded to the payment of remuneration to Executive Directors forming part of Promoter and Promoter Group of the Company notwithstanding that the overall remuneration payable to them may exceed 5% of the net profits of the Company or the ceiling laid down under Section 197 of the Act calculated as per the provisions of Section 198 of the Companies Act, 2013.”

By Order of the Board
For Shervani Industrial Syndicate Limited
S. K. Shukla
Company Secretary

Place: Prayagraj

Date: August 14, 2021

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Proxy in order to be effective must be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Annual General Meeting.

2. A person can act as proxy on behalf of members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
3. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 setting out the material facts in respect of Business under Item Nos. 6, 7 and 8 as set out above is annexed hereto.
4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a scanned copy (PDF/JPG

Format) of certified true copy of the relevant Board Resolution under section 113 of the Companies Act, 2013 together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.

5. Members / Proxies are requested to bring their attendance slip duly filled in along with copy of Annual Report to the Meeting.
6. In case of Joint Shareholders attending the Meeting, only such Shareholder who is higher in the order of names will be entitled to vote.
7. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Annual General Meeting.
8. The Register of Members and Share Transfer Books of the Company shall remain closed from **Friday, 24th September, 2021 to Thursday, 30th September, 2021** (both days inclusive).
9. The Notice of Annual General Meeting along with Annual Report for financial year 2020-2021, is available on the website of the Company at www.shervaniind.com & on the website of Stock Exchange i.e., BSE Limited at www.bseindia.com. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during business hours.
10. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the Company's Registrar and Share Transfer Agent (RTA), M/s. Link Intime India Private Limited, C-101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai - 400083 or mail at rnt.helpdesk@linkintime.co.in. In this regard, Members are requested to submit a signed request letter mentioning the folio no., name of shareholder, address and email id along with a self-attested copy of PAN card.
11. The Dividend on Equity Shares & Deferred Shares, as recommended by Board of Directors, subject to the provisions of Section 126 of the Companies Act, 2013, if approved by the Members at the Annual General Meeting, will be paid, subject to deduction of Income-Tax at source (TDS) wherever applicable to those Members:
 - (a) Whose names appear as 'Beneficial Owners' as at the end of the business hours on **23rd September, 2021** in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited, in respect of Equity Shares

- held in dematerialised form; and
- (b) Whose names appear on the Company's Register of Members after giving effect to valid share transfer request(s) lodged with the Company / its Registrar and Share Transfer Agent on or before the close of business hours on **23rd September, 2021**, in respect of Shares held in physical form.
12. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their Residential Status, Category as per the Income-tax Act and PAN with RTA (in case of shares held in physical mode) and Depositories (in case of shares held in demat mode). A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to its RTA "Link Intime India Private Ltd" at rnt.helpdesk@linkintime.co.in by **23rd September, 2021**. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to the Company or its RTA at email address mentioned above. The aforesaid declarations and documents need to be submitted by the shareholders latest by **23rd September, 2021**.
13. Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013, dividend which remains unpaid / unclaimed in the Unpaid Dividend Account for a period of seven years from the date of transfer of the same, will be transferred to the Investor Education and Protection Fund established by the Central Government. The Members who have not encashed their dividend warrant(s) so far for the financial years 2013-14, 2017-18 (Interim), 2017-18 (Final) & 2019-20 are requested to lodge their claims with Registrar and Transfer Agents (RTA) or with the Company. Further, as per the provisions of Section 124 of the Companies Act, 2013, shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall also be transferred to the Investor Education and Protection Fund (IEPF) Authority. The Members,
- whose unclaimed dividend /shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF-5 available on www.iepf.gov.in.
14. Members holding shares in electronic form are requested to intimate immediately any change in their Address or Bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the its Registrar and Transfer Agents (Link Intime India Private Ltd., C-101, 247 Park, L. B. S. Marg, Vikhroli West, Mumbai- 400083) ("RTA").
15. The Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrants/ demand drafts to such Members by postal services.
16. Pursuant to the Listing Regulations read with SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018, the Company is required to obtain the copy of PAN Card and Bank details from all the shareholders holding shares in physical form. Accordingly, in order to receive the dividend in a timely manner, members holding shares in physical form, who have not updated their Bank details for receiving the dividends, are requested to give their mandate for receiving dividend directly in their bank accounts by sending scanned copy of a duly signed request letter which shall contain shareholder's name, folio number, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details) along with the following documents at rnt.helpdesk@linkintime.co.in by **23rd September, 2021** :
- Self-attested copy of PAN Card of all the holders;
 - Original cancelled cheque leaf with name of member printed on it (if name is not printed, a copy of Bank Passbook/ Statement bearing name, duly attested by the Bank) and;
 - Self-attested copy of address proof (viz. aadhar, voter-id, passport, driving license, any utility bill not older than 3 months).
- Further to support "Green Initiative", members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Reports, Notices, Circulars etc. from the Company electronically.
17. Members holding Shares in identical order of names in more than one folio are requested to write to the Company's Registrar & Share Transfer Agents, (Link

Intime India Private Ltd., C-101, 247 Park, L. B. S. Marg, Vikhroli West, Mumbai- 400083) ("RTA"). enclosing the Share Certificates for consolidation of their holdings into one folio.

18. The Equity Shares of the Company are compulsorily tradable in demat form.

The Equity Shares of the Company have been assigned ISIN INE011D01013. In accordance with the proviso to Regulation 40(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from 1st April, 2019, transfer of shares of the Company shall not be processed (except in the cases of transmission or transposition of shares) unless the shares are held in the dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in various corporate actions.

19. The separate audited accounts of the subsidiary company are placed on website of the Company at <http://shervaniind.com/subsidiary.htm>. The Company will provide physical copies of these documents to any member of the Company who asks for it. These documents are available for inspection at the Registered Office of the Company during business hours on all working days (that is, except Sundays and Public Holidays) upto the date of the Meeting.
20. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in Form No. SH-13 prescribed under Section 72 of the Companies Act, 2013 read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 which can be obtained from the Company or its RTA.
21. Members desirous of obtaining any information / clarifications, intending to raise any query concerning the annual accounts or operations of the Company, are requested to forward the same at least seven days prior to the date of meeting to the Company Secretary at the Registered office of the Company, so that the same may be attended appropriately.

Voting through Electronic means:

22. In terms of the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended applicable Secretarial Standards and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing its members the facility to exercise their right to vote by electronic means (remote e-voting) in respect of any or all businesses specified in the accompanying

Notice and the business may be transacted through remote e-voting services. The necessary arrangements have been made by the Company with Central Depository Services Ltd ("CDSL") to facilitate e-voting. E-voting is optional and members shall have the option to vote either through e-voting or in person at the General Meeting. The instructions for shareholders voting electronically are as under:

The remote e-voting facility will be available during the following Period:

Commencement of remote e-voting: From 09.00 A.M on Monday, 27th September, 2021 and

End of remote e-voting: Upto 5.00 P. M on Wednesday, 29th September, 2021.

During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the 23rd September, 2021 (cut-off date) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

Instructions relating to remote e-voting are as under:

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

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

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

- (ii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

A. Individual Shareholders holding securities in Demat mode with CDSL

- 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or visit www.cdslindia.com and click on Login icon and select New System Myeasi.
- 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.
- 3) If the user is not registered for Easi/Easiest, option to register is available at [https://web.cdslindia.com/myeasi/Registration/Easi Registration](https://web.cdslindia.com/myeasi/Registration/Easi%20Registration)
- 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

B. Individual Shareholders holding securities in demat mode with NSDL

- 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <https://eservices.nsd.com> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After

successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

C. Individual Shareholders holding securities in demat mode login through their Depository Participants

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

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

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

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

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

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

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

- iv) After entering these details appropriately, click on "SUBMIT" tab.
- v) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- vi) For Shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- vii) Click on the EVSN for the <Shervani Industrial Syndicate Limited> on which you choose to vote.
- viii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- ix) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- x) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xiii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xiv) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user

should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizers viz. M/s Siddiqui & Associates and to the Company at the email address viz; shervaniind@rediffmail.com (designated email address by company), if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.
- All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai-400013 or send an email to helpdesk.evoting@cdsl.com

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

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

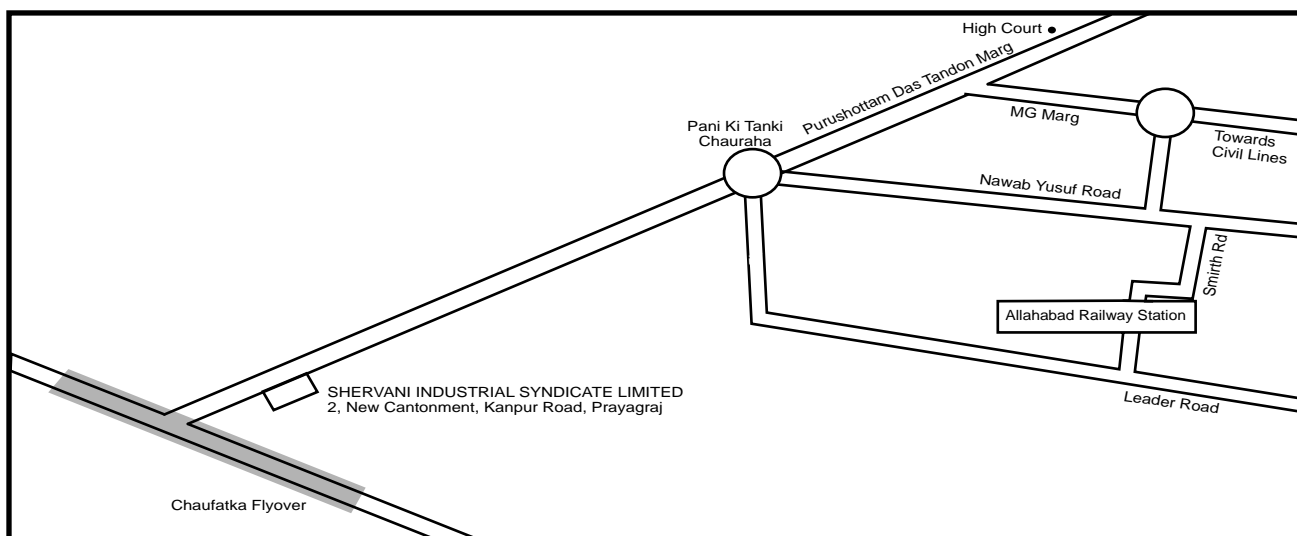
GENERAL INSTRUCTIONS:

- i. The facility of voting through ballot paper shall also be made available at the Meeting. Members attending the Meeting, who have not already cast their vote by remote e-voting shall be able to exercise their right at the Meeting through ballot paper.
- ii. Members who have cast their vote by remote e-voting prior to the Meeting, may also attend the Meeting, but shall not be entitled to cast their vote again. Once a vote on a resolution is cast by the Member, the member shall not be allowed to change it subsequently or cast vote again.
- iii. The voting rights of the shareholders (for voting through remote e-voting or by ballot paper at the Meeting) shall be in proportion to their shares of the paid-up Equity share capital of the Company as on 23rd September, 2021 (the cut-off date).
- iv. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting in the general meeting. Any person who is not a member as on the cut-off date should treat this Notice for information only.
- v. Any person, who acquires shares of the Company and becomes member of the Company after 20th August, 2021 i.e. BENPOS date considered for dispatch of the notice, and holding shares as on the cut off date i.e. 23rd September, 2021, may obtain the login Id and password by sending a request at helpdesk.evoting@cdslindia.com.
- vi. M/s. Siddiqui & Associates, Practising Company Secretaries (Membership No. 2229 and Certificate of Practice No.- 1284) have been appointed as the Scrutinizer by the Company to scrutinize the remote e-voting process in a fair and transparent manner.
- vii. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper/Polling Paper" for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.
- viii. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two working days of the conclusion of the Annual General Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman in writing, who shall countersign the same and declare the result of the voting forthwith.
- ix. The results declared alongwith the report of the Scrutinizer shall be placed on the website of the

Company www.shervaniind.com immediately after the declaration of results by the Chairman. The results shall also be immediately forwarded to Stock Exchanges where the shares of the Company are listed.

24. As required under Listing Regulations and Secretarial Standards-2 on General Meetings, the relevant details in respect of directors seeking re-appointment under Item Nos. 3 and 4 of this Notice are as below:

LOCATION MAP OF VENUE OF ANNUAL GENERAL MEETING



BRIEF PROFILE OF DIRECTORS SEEKING RE- APPOINTMENT

Particulars	Mr. Azher Nisar Shervani	Mr. Raju Verghese
D I N	00424635	01086812
Date of Birth / Age	15th August, 1947	05th November, 1947
Date of Appointment on the Board	31st October, 2000	27th January, 2007
Qualifications	B.Com	B.Sc.
Experience and expertise in specific functional area	Industrialist	Finance, Accounts & Taxation
Terms and conditions of Appointment	Retire by Rotation	Retire by Rotation
Remuneration last drawn	-	-
Directorship in other Companies	M/s Shervani Enterprises Pvt. Ltd. (Formerly known as Shervani Fabrics Pvt. Ltd.) M/s Red Leaf Estate Pvt. Ltd. M/s Star Hotels Private Limited (Formerly known as Shervani Hospitalities Ltd)	M/s Lebensraum Infra Private Limited M/s Capon Food Specialities Limited
Chairman/Member of Committee of the Board of other Companies		
(a) Audit Committee	-	-
(b) Stakeholders' Relationship Committee	-	-
Shareholding in Shervani industrial Syndicate Limited	1,01,687 Equity shares	540 Equity Shares
Relationship with other Directors / KMPs	Brother of Mr. S. I. Shervani & Mr. S. M. Shervani	None
No. of Board Meetings held during the Year and attended by the Director during the Financial year 2020-21	Held – 4 Attended - 1	Held- 4 Attended- 1

By Order of the Board
For Shervani Industrial Syndicate Limited

S. K. Shukla
Company Secretary

Place : Prayagraj
Date : August 14, 2021

ANNEXURE TO NOTICE

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 6

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Shishir Jaiswal & Co., Cost Accountants (Firm Registration No. 102450) as Cost Auditors to conduct the audit of the cost records for the financial year ending 31st March, 2022 on the terms and conditions as set out in the resolution placed at Item No. 6 of the Notice. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, consent of the members of the Company is being sought for passing the Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2022.

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

None of the Directors and / or Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item No. 6 of the Notice.

Item No. 7

The Members at the 70th Annual General Meeting of the Company held on 29th September, 2018 passed the special resolution for appointment of Mr. Saleem Iqbal Shervani (DIN: 00023909) as Managing Director of the Company for a period of 5 years commencing 3rd April, 2018 to 2nd April, 2023 and as per the Schedule V of the Companies Act, 2013. The approval of the members of the Company is, therefore, being sought by way of Special Resolution for payment of remuneration to Mr. Saleem Iqbal Shervani, Managing Director on the same terms and conditions as already approved by members at 70th Annual General Meeting held on 29th September, 2018, for the remaining tenure of his appointment of two years with effect from 3rd April, 2021 to 2nd April, 2023. All the existing terms and conditions of his appointment shall remain unchanged.

The Nomination and Remuneration Committee of the Board considering the significant contribution of Mr. Saleem Iqbal Shervani, as Managing Director of the Company to the Company's growth and implementation of investment plans and business strategies approved the remuneration of the said managerial personnel as stated in their respective resolutions which is in accordance with the provisions of Section 197 read with Schedule V of the Companies Act, 2013. The Board recommends the Special Resolutions placed at Item No. 7 of the Notice for approval of members.

Except Mr. S. I. Shervani himself Managing Director, Mr. A. N. Shervani, Director and Mr. S.M. Shervani Director and their relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel and their relatives are in any way, concerned or

interested, financially or otherwise, in the resolutions set out in Item No. 7 of the Notice.

Item No. 8

As per Regulation 17(6)(e) inserted by SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the fees or compensation payable to Executive Directors who are Promoters or forming part of the Promoter Group, shall be subject to approval of shareholders by special resolution in general meeting, if :-

- (i) annual remuneration to each of them exceeds Rs 5 crores or 2.5 percent of the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013, whichever is higher: or
- (ii) their aggregate annual remuneration exceeds 5% of the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013

Further, as per the provisions of Section 197 of the Companies Act, 2013, a Company may with the approval of shareholders accorded by a special resolution pay remuneration to its Executive Directors in excess of the individual and overall ceilings laid down therein.

At present there are two Executive Directors who form part of promoter or promoter group, namely Mr. Saleem Iqbal Shervani, Managing Director, Mr. Tahir Hasan, Whole Time Director & CFO on the Board of Directors of the Company. The shareholders have approved remuneration payable to them within the limits as prescribed as per the provisions of the Companies Act, 2013 while approving their respective appointments. However, such remuneration may exceed 2.5% of the net profit of the Company individually or 5% of the net profit of the Company collectively. It is, therefore, considered desirable to obtain enabling approval from shareholders of the Company by way of special resolution in compliance with Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of Section 197 of the Companies Act, 2013 for payment of remuneration in excess of the limits prescribed under Regulation 17(6)(e) of the Listing regulations and Section 197 of the Companies Act, 2013

The Board recommends the Special Resolution set out at Item No. 8 of the Notice for approval by the Members.

Except Mr. Saleem Iqbal Shervani, Mr. Tahir Hasan, Mr. Saeed Mustafa Shervani & Mr. Azher Nisar Shervani, none of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise in the proposed resolution.

By Order of the Board
For Shervani Industrial Syndicate Limited

S. K. Shukla
Company Secretary

Place : Prayagraj
Date : August 14, 2021

Dear Members,

Your Director's take pleasure in presenting the 73rd Annual Report together with the Audited Financial Statements for the year ended on 31st March, 2021.

FINANCIAL RESULTS

Particulars	(Rs. in Lakh)
Total Revenue	2916
Profit before Depreciation	606
Depreciation	64
Profit after Depreciation before tax	542
Exceptional Items	(55)
Profit after Exceptional item	487
Tax Expense (including earlier year)	(216)
Profit after Tax	703
Other Comprehensive Income	84
Total Comprehensive Income	787

DIVIDEND

In view of the profits accrued during the year under review the Board of Directors have recommended dividend of 25% on the Ordinary and Deferred shares which respectively is Rs 2.50 and Rs 6.25 on each share of the Company for the financial year ended on March 31, 2021.

OPERATION REVIEW

The construction activity in Project 'Naman Homes' is progressing satisfactorily. Initially this project suffered the adverse impact of corona pandemic but the company is taking every step to achieve the projected schedule and we are very hopeful that we shall be able to complete the project well in time as committed to the allottees. Further in respect of EWS and LIG flats the allotment procedure have been completed in supervision of 'Prayagraj Development Authority' and thereafter sale deed have also been executed in favour of the allottees having made full payment.

In our previous report, we had informed you that the next Group Housing Project is situated at Sarojini Naidu Marg, in the centre of Dist. Prayagraj. The project has been named as 'The Crescent'. The building plans have been approved by the Prayagraj Development Authority and construction work on this project has commenced in the last quarter of the year under review.

The management has received positive feedback from the allottees in respect of their satisfaction about the timely completion of project, and good quality construction work. We hope that the goodwill thus earned would go a long way in our future projects.

MANAGEMENT DISCUSSION AND ANALYSIS

A. Business Overview, Industry Structure and Development

When the Govt eased the lockdown restrictions induced by corona pandemic it was hoped that sluggishness in

economy would end and we would be able to move forward. However, the situation remained normal for a very short period and second wave of the corona pandemic has created the fear and panic across the country. Restrictions, although not so tight as the in first wave, were again imposed by the State Government. As a consequence, the business scenario again suffered a severe adverse effect and the confidence of entrepreneur, investors and the allottees was shattered. Another factor of longer impact and far reaching consequence was drying up of cash inflows from our customers again due to sluggish economy and price escalation / inflation. This caused a crisis of working capital funds. The construction activity in our projects was also adversely affected but somehow we have, through fund and labour management, managed to make up and very hopefully shall deliver the project on time as per schedule.

The welcoming feature are the steps taken by the Government of India in association with the State Governments to rectify the situation. Availability of credit has improved; the rate of interest has been kept down. There is relaxation in systems and procedures to create an environment of ease and comfort conducive to doing business. The State is giving priority to real estate sector because it generates maximum employment for the unskilled labour. The easy availability and cheaper housing loans are expected to lead towards recovery of economy and the real estate sector in particular.

B. Outlook on Opportunities, Threats Risks and Concern

The Tier-I and II category cities have continued to witness a growth in demand despite the fact that the housing projects in and around Metros have excess inventory. At the same time there is also increasing product consciousness both in terms of quality of the residential offering and confidence in the ability of the developer to deliver on time. Your company has striven to not only to offer better quality construction but to also deliver on time. It would not be out of place to mention that your company has earned goodwill on both these factors. Hence, we firmly believe that despite some intermittent slowdown periods, not in control of management, your company is on the path of growth and progress.

One area that is a matter of concern for both buyers and sellers is the inflationary market trends and scarcity of construction materials. Increases in input costs have negative impact on project costs and margins. Keeping to time lines and reducing material wastage is one way to counter increases in costs. Your company endeavours to improve performance on these parameters year by year. While there are no significant unsold inventory of apartments in the city, your company does face competition from other builders in the city who also have projects in the pipe line, but on account of its reputation and product differentiation, your company is confident that demand for its housing projects will remain high.

C. Subsidiary Company

M/s Farco Foods Pvt Limited, the wholly owned subsidiary of your Company is engaged in manufacture of biscuits on job work basis for M/s Surya Foods and Agro Limited for their "Priya Gold" brand. During the year under review the Company produced 5472 MT of biscuits and earned profit of Rs 21.59 lacs after tax. The subsidiary company has been consistently earning profit and has successfully maintained the manufacturing cost. In our previous report we had informed you that in view of a long term perspective the company has diversified into goat farming. In this context we further inform that the implementation of the project is progressing satisfactorily and we hope to start commercial activity shortly.

D. Internal Financial Controls

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

E. Development in Human Resource and Industrial Relations

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

F. Research and Development

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

CORPORATE GOVERNANCE

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

EXTRACT OF ANNUAL RETURN

Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014 the extract of the Annual Return of the Company in Form MGT-9 is annexed to this report as Annexure A.

BOARD MEETINGS

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

the Corporate Governance Report.

DIRECTOR'S RESPONSIBILITY STATEMENT

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

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

DECLARATION BY INDEPENDENT DIRECTORS

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

NOMINATION & REMUNERATION

The Board on the recommendation of the Nomination & Remuneration Committee, make the appointment of Directors, senior management and fix their remuneration. Key Management Personnel are appointed by the Board after consideration of their qualification and exposure to required fields. The details are stated in the Corporate Governance Report.

RELATED PARTY TRANSACTIONS

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

All related party transactions that were entered in to during the financial year were in the ordinary course of business and are disclosed at Note No. 36 attached to the standalone balance sheet and none of the transactions are of material nature and have potential conflict with the interest of the

Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION FOREIGN EXCHANGE EARNINGS AND OUTGO

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

CORPORATE SOCIAL RESPONSIBILITY

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

Mr. Mohammad Aslam Sayeed	Chairman
Mr. Saleem Iqbal Shervani	Member
Mr. Tahir Hasan	Member

BOARD EVALUATION

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the section 152 of the Companies Act, 2013, Mr. Azher Nisar Shervani (DIN: 00424635) and Mr. Raju Verghese (DIN: 01086812) Directors retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Brief resume of the Directors seeking re-appointment along with other details as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of Section 102(1) of the Companies Act 2013 are provided in the Notice for convening the Annual General Meeting.

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

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

STATUTORY AUDITORS

In terms of provisions of section 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Shareholders in the 69th AGM held on 28.09.2017 have approved the appointment of M/s Gupta Vaish & Co. Chartered Accountants, Kanpur (Firm Registration No. 005087C) as Statutory Auditors of the Company for a period of 5 Years from the conclusion of said Annual General Meeting. However, their appointment as Statutory Auditors of the Company shall be required to be ratified by the Members at subsequent Annual General Meeting. The Company has received a confirmation from the said Auditors that they are not disqualified to act as the Auditors and are

eligible to hold the office as Auditors of the Company. Necessary resolution for ratification of Appointment of the said Auditors is included in the Notice of AGM for seeking approval of members.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 the Company has appointed M/s Siddiqui & Associates, Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of Secretarial Audit for the year 2020-21 is annexed herewith as Annexure -C and forms integral part of this Report.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

INTERNAL AUDITOR

The Board of Directors on the recommendation of the Audit Committee appointed M/s P. L. Tandon & Co, Chartered Accountants, Kanpur to carry out the Internal Audit of the Company.

COST AUDITORS

Pursuant to the provisions of section 148 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s Shishir Jaiswal & Co., Cost Accountants (Firm Registration No. 102450) has been appointed as Cost Auditors and the Company is maintaining cost records as per the provision of "Act".

DEPOSITS

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

CONSOLIDATED FINANCIAL STATEMENT

In accordance with the section 129(3) of the Companies Act, 2013 and the Indian accounting standard Ind AS-27 on consolidated and separate financial statement(s) read with Indian Accounting Standard Ind AS-28 on accounting for investments in associates your Company has prepared the consolidated financial statements and annexed to this report. However due to the severe Corona pandemic situation in New Delhi and disruptions caused by lock down imposed by the Government of Delhi on account of COVID the financial statement of last quarter of financial year 2020-2021 of our associate company- Star Hotels Private Limited could not be prepared and presented to compile the

Company's share of profit/loss in consolidated financial results. A Statement in form AOC-1 containing salient features of the financial statements of the subsidiary and associate company are attached as Annexure-E.

AUDITOR'S REPORT

The observations of the Statutory Auditors in their report are appropriately dealt with in notes forming part of Financial Statement. No qualification or adverse remarks has been made by the Secretarial Auditor in his Secretarial Audit Report.

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

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

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

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

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

UNCLAIMED DIVIDEND

Pursuant to provisions of section 124(5) of the Companies Act, 2013 the company has transferred the unpaid or unclaimed dividends for the financial year up to 2011-12 from time to time on due dates to the Investor Education and Protection Fund (the IEPF) established by the Central Govt.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

AUDIT COMMITTEE

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

VIGIL MECHANISM

Pursuant to the provisions of the section 177 of the Companies Act, 2013 the Company has adopted Vigil

Mechanism policy which also incorporates a whistle blower policy. Adequate safeguards are provided against victimization to those who avail the mechanism and access to the Chairman of the Audit Committee while reporting about unethical practices, malpractice and non-compliance of policies.

LISTING WITH STOCK EXCHANGE

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

REPORTING OF FRAUD

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

INDUSTRIAL RELATIONS

Industrial relations remained cordial during the period under review.

EVENT AFTER REPORTING PERIOD

Subsequent to the close of the year, the Income Tax Authority has completed the assessment for the assessment year 2018-19 on 16th April 2021. The Income Tax Authority has raised the demand of Income Tax amounting to 2839.62 Lakh for which the Company has filed the appeal before Commissioner (Appeal). Therefore, the Company has not made the provision against the total demand of Rs. 2839.62 Lakh, however the amount of demand has been disclosed as contingent liabilities.

ACKNOWLEDGEMENTS

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

For and on behalf of the Board

Mohd. Aslam Sayeed	Saleem I. Shervani
Director	Managing Director
DIN : 06652348	DIN : 00023909

Place : Prayagraj
Date : August 14, 2021

FORM No. MGT-9**Extract of Annual Return****as on Financial Year ended on 31st March, 2021**

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

1. REGISTRATION AND OTHER DETAILS

1.	CIN	L45202UP1948PLC001891
2.	Registration Date	25th February 1948
3.	Name of the Company	Shervani Industrial Syndicate Limited
4.	Sub-Category of the Company	Public Company Limited by Shares
5.	Address of the Registered office and contact details	Shervani Nagar, Sulem Sarai, Harwara, Prayagraj-211015 (U.P.) Phone: +91-7311128115, Fax: 0532-2436928 E-mail: shervaniind@rediffmail.com www.shervaniind.com
6.	Whether listed company	Yes
7.	Name and Address of Registrar & Transfer Agents	Link Intime India Pvt. Ltd C 101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai – 400 083.

2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main Products/Services	NIC Code of the Product/ Service	% to total turnover of the Company
1	Real Estate Business	8200 & 8201	100%

3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary/Associate	% of shares held	Applicable section
1.	Farco Foods Private Limited, 332, Shervani Nagar, Sulem Sarai, Harwara, Prayagraj	U15111UP1995PTC019155	Subsidiary	100.00	2(87)
2.	Star Hotels Private Limited, 11, Sunder Nagar, New Delhi	U74899DL1978PTC009206	Associate	35.40	2(6)
3.	Youngtronics India Private Limited, 332, Shervani Nagar, Sulem Sarai, Harwara, Prayagraj	U36931UP2008PTC036318	Associate	46.33	2(6)

1. SHARE HOLDING PATTERN (Equity Share Capital break-up as % of Total Equity)

(i) Category wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1 Indian									
a) Individual/ HUF	618053	-	618053	22.88	618053	-	618053	22.88	-
b) Central Govt.									-
c) State Govt. (s)									-
d) Bodies Corporate	467027	-	467027	17.29	467027	-	467027	17.29	-
e) Banks / FI									-
f) Any Other / Director Relative	538640		538640	19.94	538640		538640	19.94	-
Sub-Total (A) (1)	1623720		1623720	60.12	1623720		1623720	60.12	-
2. Foreign									
a) NRI Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate (Foreign Promoter)	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2)-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter A = A (1) + A (2)	1623720		1623720	60.12	1623720		1623720	60.12	-
B Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Other (Specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B) (1)	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	401508	2750	404258	14.97	401237	2750	403987	14.95	(0.01)
ii) Overseas									
b) Individual									
i) Individual shareholders holding nominal share capital up to Rs 1 lac	305283	115006	420289	13.29	315614	112516	428130	15.85	(0.29)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lac	138540	-	138540	5.13	134737	-	134737	4.99	(0.14)
c) Others (specify)									
a) Non-Resident Indians	2962	460	3422	0.13	3367	460	3827	0.13	(0.01)
b) Foreign National	-	-	-	-	-	-	-	-	-
c) Director or Director's Relatives	1300	540	1840	0.07	1300	540	1840	0.07	-
d) HUF	48389	-	48389	1.79	44217	-	44217	1.64	(0.15)
e) IEPF Authority	60560	-	60560	2.24	60560	-	60560	2.24	-
Sub-Total (B) (2)	958542	118756	1077298	37.00	961032	116266	1077298	39.88	-
Total Public Shareholding B = B (1) + B (2)	958542	118756	1077298	37.00	961032	116266	1077298	39.88	-
C. Shares held by Custodian for GDRs and ADRs									
Grand Total (A+B+C)	2582262	118756	2701018	100.00	2584752	116266	2701018	100.00	-

(ii) Shareholding of Promoter

Sr. No	Shareholder's Name	Shares at the beginning of the year			Shares at the end of the year			% change in share holding during the year
		No. of Share	% of total shares of the Company	% of shares pledged/encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	
1.	Mr S I Shervani	384980	14.25	0.00	384980	14.25	0.00	-
2.	Mr Saeed M Shervani	131386	4.86	0.00	131386	4.86	0.00	-
3.	Mr A N Shervani	101687	3.76	0.00	101687	3.76	0.00	-
4.	Mr T Hasan	13615	0.50	0.00	13615	0.50	0.00	-
5.	Mrs S Hasan	61728	2.29	0.00	61728	2.29	0.00	-
6.	Mrs R Shervani	66655	2.47	0.00	66655	2.47	0.00	-
7.	Mr Saad M Shervani	96130	3.56	0.00	96130	3.56	0.00	-
8.	Mr Mustafa Rashid Shervani	76575	2.84	0.00	76575	2.84	0.00	-
9.	Ms Ursala F Shervani	87835	3.25	0.00	87835	3.25	0.00	-
10.	Mrs Z Hasan	90089	3.34	0.00	90089	3.34	0.00	-
11.	Mrs Z Shervani	12718	0.47	0.00	12718	0.47	0.00	-
12.	Ms Aisra Amrah Fatima Shervani	14580	0.54	0.00	14580	0.54	0.00	-
13.	Ms Shamsia Fatima Shervani	11790	0.44	0.00	11790	0.44	0.00	-
14.	Mr Mohd. Adil M Shervani	6925	0.26	0.00	6925	0.26	0.00	-
15.	Azhar Family Trust	48633	1.80	0.00	48633	1.80	0.00	-
16.	Saeed Family Trust	49308	1.83	0.00	49308	1.83	0.00	-
17.	Salma Zeba Family Trust	54645	2.02	0.00	54645	2.02	0.00	-
18.	Saleem Family Trust	60985	2.26	0.00	60985	2.26	0.00	-
19.	Aslam Family Trust	43945	1.63	0.00	43945	1.63	0.00	-
20.	Waqf Haji Bhikkan	7840	0.29	0.00	7840	0.29	0.00	-
21.	Shervani Enterprises Pvt. Ltd.	1450	0.05	0.00	1450	0.05	0.00	-
22.	Lebensraum Infra Pvt. Ltd.	200221	7.41	0.00	200221	7.41	0.00	-
	Total	1623720	60.12	0.00	1623720	60.12	0.00	-

(iii) Change in Promoters Shareholding

Name of Promoter	Shareholding at the beginning of the year		Change in Shareholding during the year			Cumulative shareholding during the year	
	No. of Shares	% of total shares of the Company	Date of Shares Sold	No. of shares Sold	% of total shares of the Company	No. of Shares	% of total shares of the Company
Mr. Saleem I. Shervani	384980	14.25	-	-	-	384980	14.25
Mr. Saeed Mustafa Shervani	131386	4.86	-	-	-	131386	4.86
Mr. Azher Nisar Shervani	101687	3.76	-	-	-	101687	3.76

There is no change in Promoters Shareholding during the year.

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

Sr. No	For each of the top ten shareholder	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Frost Traders Pvt. Ltd				
	At the beginning of the year	367602	13.61	367602	13.61
	Change during the year	-	-		
At the end of the year	367602	13.61			
2	Aslam Qadar Khan				
	At the beginning of the year	74816	2.77	74816	2.77
	Change during the year	-	-		
At the end of the year	74816	2.77			
3	Investor Education & Protection Fund				
	At the beginning of the year	60560	2.24	60560	2.24
	Change during the year	-	-		
At the end of the year	60560	2.24			
4	Arvind Kumar J Sancheti (HUF)				
	At the beginning of the year	36720	1.36	36720	1.36
	Change during the year	-	-		
At the end of the year	36720	1.36			
5	Arvind Kumar Sancheti				
	At the beginning of the year	34476	1.28	34476	1.28
	Change during the year	-	-		
At the end of the year	34476	1.28			
6	Imran Hasan				
	At the beginning of the year	30686	1.14	30686	1.14
	Change during the year	-	-		
At the end of the year	30686	1.14			
7	Shri Parasram Holdings Pvt Ltd				
	At the beginning of the year	24519	0.91	24519	0.91
	Change during the year	-	-		
At the end of the year	24519	0.91			
8	Sarita Arvind Sancheti				
	At the beginning of the year	11345	0.42	11345	0.42
	Change during the year	-	-		
At the end of the year	11345	0.42			
9	Salahuddin Khan				
	At the beginning of the year	14700	0.54	14700	0.54
	Change during the year	-	-		
At the end of the year	14700	0.54			
10	Hemraj Chaturbhuj Asher				
	At the beginning of the year	9722	0.36	9722	0.36
	Change during the year	-	-		
At the end of the year	9722	0.36			

(v) Shareholding of Director's and Key Managerial Person

Sr. No.	Shareholding of each Director and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Dr. Ashutosh Pratap Singh At the beginning of the year Change during the year At the end of the year	500 - 500	0.02 - 0.02	500	0.02
2	Mr. Saleem Iqbal Shervani, Managing Director At the beginning of the year Change during the year At the end of the year	384980 - 384980	14.25 - 14.25	384980	14.25
3	Mr. Tahir Hasan, Whole Time Director & Chief Financial Officer At the beginning of the year Change during the year At the end of the year	13615 - 13615	0.5 - 0.5	13615	0.5
4	Mr. Sadiq Husain Siddiqui, Whole-time Director At the beginning of the year Change during the year At the end of the year	- - -	- - -	-	-
5	Mr. Azher Nisar Shervani At the beginning of the year Change during the year At the end of the year	101687 - 101687	3.76 - 3.76	101687	3.76
6	Mr. Saeed Mustafa Shervani At the beginning of the year Change during the year At the end of the year	131386 - 131386	4.86 - 4.86	131386	4.86
7	Mr Gopal Swarup Chaturvedi At the beginning of the year Change during the year At the end of the year	800 - 800	0.03 - 0.03	800	0.03
8	Mr Raju Verghese At the beginning of the year Change during the year At the end of the year	540 - 540	0.02 - 0.02	540	0.02
9	Mr Mohammad Aslam Sayeed At the beginning of the year Change during the year At the end of the year	- - -	- - -	-	-
10	Ms. Aradhika Chopra At the beginning of the year Change during the year At the end of the year	- - -	- - -	-	-
11	Mr. S. K. Shukla, Company Secretary At the beginning of the year Change during the year At the end of the year	- - -	- - -	-	-

(vi) INDEBTEDNESS

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

(Rs. In Lakhs)

	Secured loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	540.92	-	-	540.92
1)Principal	540.92	-	-	540.92
2)Interest due but not paid	-	-	-	-
3)Interest accrued but not due	-	-	-	-
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	182.03	-	-	182.03
Net Change	-	-	-	-
Indebtedness at the end of the financial year	358.89	-	-	358.89
1)Principal	358.89	-	-	358.89
2)Interest due but not paid	-	-	-	-
3)Interest accrued but not due	-	-	-	-
Total (1+2+3)	358.89	-	-	358.89

(vii) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole Time Director and / or Manager**

(Rs. In Lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. Saleem I. Shervani Managing Director	Mr. Tahir Hasan Whole-time Director & CFO	Mr. Sadiq Husain Siddiqui Whole-time Director	
1	Gross Salary				
	a) Salary as per provisions of sec. 17(1) of Income Tax Act, 1961	12.00	3.00	7.62	22.62
	b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	0.40	-	0.40	0.80
	c) Profits in lieu of Salary u/s 17(3) of Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission -- as % of Profit -- others specify	-	-	-	-
5	Others, please specify Fees for attending Board Meeting	1.00	1.00	1.00	3.00
	Total	13.40	4.00	9.02	26.42

B. Remuneration to other Director's

(Rs. In Lakhs)

Sr. No.	Particulars of Remuneration	Name of Director				Total Amount
		Dr. A. P. Singh	Mr. G. S. Chaturvedi	Mr. M. A. Sayeed	Ms. Aradhika Chopra	
1	Independent Director					
	Fee attending Board/ Committee Meeting	1.00	1.00	1.00	1.00	4.00
	Commission	-	-	-	-	-
	Other (Specify)	-	-	-	-	-
	Total (B1)	1.00	1.00	1.00	1.00	4.00

2	Other Non-Executive Director	Mr. A N Shervani	Mr. S M Shervani	Mr. Raju Verghese	Total Amount
		Fee attending Board/ Committee Meeting	0.25	0.25	
	Commission	-	-	-	-
	Other (Specify)	-	-	-	-
	Total (B2)	0.25	0.25	0.25	0.75
	Total Sitting Fees (B1+B2)				4.75

(Rs. In Lakhs)

Total Managerial Remuneration excluding sitting Fee :	23.42
---	-------

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/WTD/MANAGER

(Rs. In Lakhs)

Sr. No.	Particulars of Remuneration	Company Secretary
1	Gross Salary (Rs in lac)	
	a) Salary as per provisions of sec. 17(1) of Income Tax Act, 1961	2.11
	b) Value of perquisites u/s 17(2) of Income Tax Act, 1961	-
	c) Profits in lieu of Salary u/s 17(3) of Income Tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission	
	-- as % of Profit (1%) -- others specify	-
5	Others, please specify	-
	Total	2.11

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

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

Report on Corporate Social Responsibility (CSR) Activities/Initiatives for the year ended 31st March, 2021
(Pursuant to Section 135 of the Companies Act, 2013 and Rule 9 of the Companies (Accounts) Rules, 2014)

1. Brief outline on CSR Policy of the Company.

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

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

2. Composition of CSR Committee:

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

SL No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Mohammad Aslam Sayeed	Chairman	5	5
2	Mr. Saleem Iqbal Shervani	Member	5	5
3	Mr. Tahir Hasan	Member	5	5

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

Composition of CSR committee: <http://shervaniind.com/CSR%20Policy.pdf>

CSR Policy: <http://shervaniind.com/CSR%20Policy.pdf>

CSR Projects: <http://shervaniind.com/policy.htm>

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

SL No.	Financial Year	Amount available for set-off from preceding	Amount required to be set- off for the Financial Year, if any (In Rs.)
Not Applicable			

6. Average net profit of the company as per section 135(5): Rs. 3297.28 Lakh
- 7 (a) Two percent of average net profit of the company as per section 135(5): Rs. 65.95 Lakh
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
 (c) Amount required to be set off for the financial year, if any: NIL
 (d) Total CSR obligation for the financial year(7a+7b-7c): Rs. 65.95 Lakh
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (Rs. in Lakh)	Amount Unspent (Rs. in Lakh)			
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).	
	Amount	Date of transfer	Name of the Fund Amount	Date of Transfer
69.50	-	-	-	-

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

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

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

1	2	3	4	5	6	7	8		
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent in the current financial Year (Rs. in Lakh)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Infrastructure work at M. R. Shervani Inter College	Promotion of Education	Yes	Uttar Pradesh	Prayagraj	69.50	Yes	-	
Total						69.50			

- d) Amount spent in Administrative Overheads: NA
- (e) Amount spent on Impact Assessment, if applicable: NA
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 69.50 Lakh
- (g) Excess amount for set off, if any:

Sl. No	Particular	Amount (Rs. In Lakh)
1	Two percent of average net profit of the company as per section 135(5)	65.95
2	Total amount spent for the Financial Year	69.50
3	Excess amount spent for the financial year [(ii)-(i)]	3.55
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
5	Amount available for set off in succeeding financial years [(iii)-(iv)]	3.55

9. (a) Details of Unspent CSR amount for the preceding three financial years: Nil
(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NA
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). Not Applicable
(a) Date of creation or acquisition of the capital asset(s).
(b) Amount of CSR spent for creation or acquisition of capital asset.
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) : NA

Saleem I. Shervani
Member
CSR Committee

Mohd. Aslam Sayeed
Chairman
CSR Committee

S.K. Shukla
Secretary
CSR Committee

Form No. MR-3

Annexure - C

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March 2021

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

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

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

Based on our verification of Shervani Industrial Syndicate Limited books, papers, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Shervani Industrial Syndicate Limited for the financial year ended on 31st March 2021 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB);

The Company has complied with the provisions, rules & regulations of FEMA to the extent applicable. The Company is not having any FDI, ODI and ECB during the period.

- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
Company has complied the provisions to the extent applicable during the year under review
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
Company has complied the provisions to the extent applicable during the year under review

- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not Applicable to the Company for the year under review;
- d. The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014;
Not Applicable to the Company for the year under review;
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
Not Applicable to the Company for the year under review;
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
Company has complied the provisions to the extent applicable during the year under review
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
Not Applicable to the Company during the Audit Period
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
Not Applicable to the Company for the year under review.
- vi. The Income Tax Act, 1961 and Rules made thereunder;
- vii. The Central Goods & Services Tax Act 2017, IGST & SGST.
- viii. The following laws as undermentioned are also applicable to the Company:
 - RERA Act 2016
- ix. Company has also complied with various provisions of Labour Laws, Environment Laws and other related laws to the extent applicable to the Company.

I further report that, having regard to the compliance system prevailing in the Company and on examination of relevant documents and records in pursuance thereof, the Company has complied with other Acts, Regulations, Guidelines and Standards which are specifically applicable on the operation of the businesses of the Company. I have also examined compliance with the applicable clauses of the following:

- The Secretarial Standards issued by the Institute of Company Secretaries of India as notified by Ministry of Corporate Affairs from time to time;
- The Listing Agreements entered into by the Company with The Bombay Stock Exchange Limited (BSE Limited)
- SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).

Based on my examination and verification of records produced to me and according to the information and explanations given to me by the Company, in my opinion, the Company has complied with the provisions of the

Companies Act, 2013, wherever applicable and Rules made thereunder and Memorandum and Articles of Association of the Company with regard to:

- a. Maintenance of statutory registers and documents and making necessary entries therein;
- b. Filing of the requisite forms, returns, documents applications and resolutions as applicable and required with the Registrar of Companies, and such other authorities within the time prescribed or within the extended time with additional fee as prescribed under the Act and Rules made thereunder;
- c. Service of Documents by the Company to its Members, Auditors, Directors, Stock Exchanges and the concerned Registrar of Companies;
- d. Convening and holding of the meetings of the Board, Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholder Relationship Committee;
- e. Convening and holding of the 72nd Annual General Meeting on September 30, 2020.
- f. Minutes of the proceedings of General Meeting, Board Meeting(s), Board's Committees Meeting(s) were properly recorded in loose leaf form, which are being bound in a book form at regular intervals;
- g. Disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other companies and interest in other entities by the Directors;
- h. Disclosure requirements in respect of their eligibility for appointment, declaration of their independence, compliance with the code of conduct for Directors and Senior Management Personnel as per the applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, respectively.
- i. Establishing a policy on Related Party Transactions and hosting the same on the website of the Company;
- j. Appointment and remuneration of Statutory Auditor, Secretarial Auditor, Cost Auditor and Internal Auditor of the Company.
- k. Report of the Board of Directors.
- l. Transfer of amounts as required under the Act to the Investor Education and Protection Fund.
- m. Approval of members, Board and its Committees, Government Authorities, wherever required
- n. Borrowing and registration, modification and satisfaction of

charges, wherever applicable.

- o. There are adequate systems and processes in the Company that commensurate with the size and operations of the Company to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.
- p. Form of Balance Sheet, Statement of Profit and Loss and disclosures made therein are as per the Schedule III, to the Act;
- q. Key Managerial Personnel as per Section 203 the Act, -
During the financial year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as aforesaid.

We further report that

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance or with shorter notice and a system exist for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. All the decisions of the Board and Committees of Board have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be and none of the Director had requested noting his dissent in any matter.
4. The Directors have disclosed their interest and concerns in contracts and arrangements, shareholdings and directorships in other companies and interests in other entities as and when required and their disclosures have been noted and recorded by the Board; I further report that during the audit period, the Company had following events having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. which are not in the nature of qualifications but only for drawing attention of shareholders.

For Siddiqui & Associates
Company Secretaries

K.O.SIDDIQUI

FCS 2229 : CP 1284

UDIN - F002229B000544672

Place : New Delhi

Date : June 24, 2021

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

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

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I/We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority .

S. No.	Name of Directors	Designation	DIN	Date of Appointment in the Company
1.	Dr. Ashutosh Pratap Singh	Independent Director	05354321	14.08.2012
2.	Mr. Saleem Iqbal Shervani	Managing Director	00023909	03.04.1998
3.	Mr. Tahir Hasan	Whole Time Director	00074282	14.08.2014
4.	Mr. Sadiq Husain Siddiqui	Whole Time Director	02125236	01.10.2019
5.	Mr. Azher Nisar Shervani	Director	00424635	31.10.2000
6.	Mr. Saeed Mustafa Shervani	Director	00024390	09.01.1986
7.	Mr. Gopal Swarup Chaturvedi	Independent Director	00148434	12.01.2000
8.	Mr. Mohammad Aslam Sayeed	Independent Director	06652348	06.08.2013
9.	Mr. Raju Verghese	Director	01086812	27.01.2007
10.	Ms. Aradhika Chopra	Independent Director	08778574	31.07.2020

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

For Siddiqui & Associates
Company Secretaries

K. O. Siddiqui
FCS 2229; CP 1284
UDIN: F002229C000690941

Place: New Delhi
Date : July 27th, 2021

Form AOC-1

Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014
Statement containing salient features of the financial statement of subsidiaries/associate companies /joint ventures

Part "A" : Subsidiaries

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

Name of Subsidiary - Farco Foods Private Limited

Reporting Currency	:	INR
Share Capital	:	90.00
Reserves and Surplus	:	(255.81)
Total Assets	:	663.89
Total Liabilities	:	829.70
Investments	:	NIL
Turnover / Total Income	:	460.60
Profit Before Tax	:	28.64
Provision for Tax	:	7.05
Profit after Tax	:	21.59
Proposed Dividend	:	NIL
% of Shareholding	:	100%

Part "B" : Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sr. No.	Name of Associate	Shares of associates held by the company at the end of the year					Profit/Loss for the year			
		Latest audited balance sheet date	No. of Shares	Amount of investment in Associate (Rs. In Lakhs)	Extent of Holding %	Net worth attributable to shareholding as per latest Balance Sheet (Rs. In Lakhs)	Considered in consolidation (Rs. In Lakhs)	Not considered in consolidation	Description of how there is significant influence	Reason why associate is not considered
1.	Star Hotels Private Limited	31.03.2020	2265750	881.43	35.40%	-	(58.67) Please refer footnote*	Nil	35.40% Shares Held	NA
2.	Youngtronics India Private Limited	31.03.2021	85000	-	46.33%	(16.83)	-	Nil	46.33% Shares Held	NA

* Due to severe Corona Pandemic situation in New Delhi and disruptions caused by lock down imposed by Government of Delhi on account of COVID, the financial statement of Star Hotels Pvt. Limited for the last quarter of the financial year 2020-21 could not be prepared and therefore not provided to compile the company's share of profit/loss in consolidated financial statements.

DETAILS PERTAINING TO REMUNERATION

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

- (1) The percentage increase in remuneration of each Director, Chief Financial Officer and (KMP) during the Financial Year 2020-21, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2020-21 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the company are as under:

Sl. No.	Name of the Director/ KMP and Designation	Remuneration* Of Director/KMP for the financial year 2020-21 (Rs. in Lakh)	% increase in remuneration in the financial year 2020-21	Ratio of remuneration of each Director/KMP to median remuneration of employee	Comparison of the remuneration of the KMP against the performance of the company
1.	Mr Saleem I. Shervani Managing Director	12.00	Nil	2.56	Please refer sub-clause (5) of this annexure
2.	Mr Tahir Hasan Whole Time Director & Chief Financial Officer	3.00	Nil	0.64	
3.	Mr. Sadiq Husain Siddiqui Whole Time Director	7.62	Nil	1.63	
4.	Mr S. K. Shukla Company Secretary	2.11	Nil	0.45	

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

- (2) The median remuneration of employees of the company during the financial year was Rs. 4.68 Lakh p.a.
(3) In the financial year there was an increase of 1.52 % in the median remuneration of employees.
(4) There were 24 no. of permanent employees on the rolls of the company as on 31st March, 2021.
(5) Relationship between average increase in remuneration and company performance: While increase in the remuneration consideration was given to cost of living and inflation.
(6) (a) Employed throughout the year and were in receipt of remuneration at the rate of not less than Rs. 60,00,000 p.a. : NIL
(b) Employed for a part of the year and were in receipt of remuneration at the rate of not less than Rs. 5,00,000 p.m. : NIL

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

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

1. COMPANY'S PHILOSOPHY

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

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

2. BOARD OF DIRECTORS**2.1 Composition as on 31.03.2021**

The Board comprises Independent & Non-Executive Chairman, Managing Director, Two Whole Time Directors and Six Non-Executive Directors, out of which Five are independent including one Woman Director. The Directors are professionals, have expertise in their respective functional areas and bring a wide range of skills and experience to the Board. The composition of the Board as on 31st March 2021 is as under;

Category	No. of Director
Non-Executive Directors	3
Independent Directors*	5*
Non-Independent & Executive Directors	2
Total	10

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

2.2 Profile of Directors**(i) Dr. Ashutosh Pratap Singh, Chairman (Independent & Non-Executive) DIN: 05354321**

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

(ii) Mr. Saleem Iqbal Shervani, Managing Director (Non-Independent) DIN: 00023909

Mr. Saleem Iqbal Shervani is well known personality in industrial and political circles. He is an industrialist by profession. He is a graduate in Economics (Gold Medallist). He has been Member of Lok Sabha several times from Budaun Parliamentary constituency of Uttar Pradesh. He has also been Member of Union Cabinet holding charge of Ministry of Health and Family Planning and as State Minister in Ministry of External Affairs and also been a Member of several Parliamentary Committees. He has also been honoured with Indira Gandhi Unity Award for his services, achievements, and contribution to society. He is on the Board of subsidiary company and other companies. He was reappointed in current term as Managing Director on 29.09.2018 for a period of five years.

(iii) Mr. Tahir Hasan, Whole-time Director (Non-Independent) DIN: 00074282

Mr. Tahir Hasan is a graduate in Engineering and Management. He has a vast managerial experience. He specialises in Product Marketing. He is associated with cricketing activities at state level. He is also on the Board of several other companies. He was re-appointed in current term as Whole-time Director and Chief Financial Officer of the Company on 30.09.2019 for a period of three years and liable to retire by rotation.

(iv) Mr. Azher Nisar Shervani, Director, (Non-Independent & Non-Executive) DIN: 00424635

Mr Azher Nisar Shervani is a graduate in Commerce. He has a vast experience of different type of industries. He is also on the Board of other companies. He joined the Board in October 2000 and re-appointed in current term on 30.09.2019 and liable to retire by rotation.

(v) Mr. Saeed Mustafa Shervani, Director (Non-Independent & Non-Executive) DIN: 00024390

Mr. Saeed Mustafa Shervani is a graduate with specialisation in Hotel Management. He has a vast experience of managing hotel business across several cities. He is Director of the Hotel and Restaurant Association of Northern India. He joined the Board in January 1986 and was re-appointed in current term on 29.09.2018 and liable to retire by rotation.

(vi) Mr. Gopal Swarup Chaturvedi, Director (Independent & Non-Executive) DIN: 00148434

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

(vii) Mr. Mohd. Aslam Sayeed, Director (Independent & Non-Executive) DIN: 06652348

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

(viii) Mr. Raju Verghese, Director (Non-Executive) DIN: 01086812

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

(ix) Mr. Sadiq Husain Siddiqui, Whole-time Director (Non-Independent & Executive) DIN: 02125236

Mr Sadiq Husain Siddiqui is a Post graduate. He has a vast experience in Legal, Defence and Public relation. He is associated with the Company since 1970 and served the Organisation at various positions. He was appointed as Whole-time Director and designated as Director (Corporate Affairs) of the Company on 30.09.2019 for a period of three years and his term has been effective from 01.10.2019.

(x) Ms. Aradhika Chopra, Woman Director (Independent & Non- Executive) DIN : 08778574

Ms. Aradhika Chopra is a graduate and expert in Yoga and Fitness routines. She is a certified LesMills Instructor. She was National Gold Medalist in athletics and basketball. She is working closely for preservation of art, culture and environment. She was Member of Faculty for the 'I am She Miss Universe Pageant' conducted by Ms. Sushmita Sen, former Miss Universe.

2.3 Director's resigned during the year

None of the Director's resigned during the year.

2.4 Appointment / Re-appointment of Director

- 1- Mr. Azher Nisar Shervani (DIN-00424635) and Mr. Raju Verghese (DIN-01086812) Directors were re-appointed on the basis of rotation in accordance with Memorandum & Articles of Association.

2.5 Board Meetings

During the Financial Year ended on 31st March, 2021, Four Board Meetings were held on 31st July 2020, 15th September 2020, 14th November 2020 and 13th February, 2021. The details of Directors' attendance at Board Meeting, Annual General Meeting, and details of their interest association or membership in other Companies and Committee(s) as on 31st March, 2021 is given below:

Name of Director	Designation	Category	Attendance at		No. of outside director-ship*	No. of other Board Committees		Relationship	No. of shares
			Board Meeting	AGM		Member	Chairman		
Dr A P Singh	Chairman	Independent Non-Executive	4	X	Nil	Nil	Nil	-	500
Mr S. I. Shervani	Managing Director	Executive	4	Yes	1	Nil	Nil	Brother of Mr A. N. Shervani & Mr. S. M. Shervani	384980
Mr Tahir Hasan	Whole Time Director & CFO	Executive	4	Yes	Nil	Nil	Nil	-	13615
Mr. Sadiq Husain Siddiqui	Director (C.A.)	Executive	4	Yes	1	Nil	Nil	-	-
Mr A. N. Shervani	Director	Non-Executive	1	X	Nil	Nil	Nil	Brother of Mr S. I. Shervani & Mr. S. M. Shervani	101687
Mr S. M. Shervani	Director	Non-Executive	1	X	Nil	Nil	Nil	Brother of Mr S. I. Shervani & Mr. A. N. Shervani	131386
Mr Raju Verghese	Director	Independent Non-Executive	1	X	1	Nil	Nil	-	540
Mr. G. S. Chaturvedi	Director	Independent Non-Executive	4	Yes	Nil	Nil	Nil	-	800
Mr. Mohd. Aslam Sayeed	Director	Independent Non-Executive	4	Yes	Nil	Nil	Nil	-	-
Ms.Aradhika Chopra	Director	Independent Non-Executive	4	X	Nil	Nil	Nil	-	-

*This excludes directorship held in Private Companies
Particulars of Director's being re-appointed by rotation are provided in the notice of Annual General Meeting.

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

As per the provisions of Companies Act, 2013 and Clause 25 of the LODR Regulations a separate meeting of the Independent Directors of the Company was held on 13th February, 2021 to review the working of the Non-Independent Directors, Executive Directors and the Board as a whole by considering the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably discharge its duties.

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

Agenda and Information to the Board

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

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

Invitees & Proceedings

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

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

2.6 Other Directorship

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

2.7 Familiarization Programme of the Independent Directors'

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

3. AUDIT COMMITTEE

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

Terms of Reference

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

The Committee Meetings were convened on 31st July 2020, 15th September, 2020, 14th November 2020 and 13th February, 2021.

4. NOMINATION & REMUNERATION COMMITTEE

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

The Committee recommends the appointment, re-appointment and remuneration payable to Executive Directors, key

managerial personnel and senior management. The Company Secretary acts as the Secretary to the Committee.

The Committee Meetings were convened on 31st July 2020 and 14th November 2020.

Remuneration and Compensation policy

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

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

5. EXECUTIVE DIRECTOR COMPENSATION

PECUNIARY RELATIONSHIP

In compliance of Ind AS-24 transactions with related parties and Non- Executive Directors have been furnished under Note No. 36 of Notes to the Accounts of the Financial Statements.

REMUNERATION TO EXECUTIVE DIRECTORS

(Rs. In Lakhs)

Sl. No.	Name and Designation	Salary	Perquisites	Contribution to PF & other funds	Total	Sitting Fee	Total
1.	Mr. S I Shervani Managing Director	12.00	0.40	1.44	13.84	1.00	14.84
2.	Mr. T Hasan Whole Time Director & CFO	3.00	-	-	3.00	1.00	4.00
3.	Mr. Sadiq Husain Siddiqui Director (C.A.)	7.62	0.40	-	8.01	1.00	9.02

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

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

(Rs. In Lakhs)

S.No.	Name	Category	Sitting Fees	Commission	Total	No. of Shares
1.	Dr. A. P. Singh	Independent	1.00	Nil	1.00	500
2.	Mr. G. S. Chaturvedi	Independent	1.00	Nil	1.00	800
3.	Mr. M. A. Sayeed	Independent	1.00	Nil	1.00	Nil
4.	Mr. R. Verghese	Non - Executive	0.25	Nil	0.25	540
5.	Mr. A. N. Shervani	Non-Executive	0.25	Nil	0.25	101687
6.	Mr. S. M. Shervani	Non-Executive	0.25	Nil	0.25	131386
7.	Ms. Aradhika Chopra	Independent	1.00	Nil	1.00	Nil

7. STAKE HOLDERS RELATIONSHIP / GRIEVANCE COMMITTEE

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

The Committee specifically looks into issues / grievances relating to investors including share related matters and redressal thereof. Company Secretary is the Compliance Officer for the redressal of investor grievances and also acts as the Secretary to the Committee.

During the year under review, few cases of non-receipt of dividend & share certificates were reported and the same were addressed to the satisfaction of Members.

The Committee Meetings were convened on 05th June 2020, 03rd July 2020, 23rd July 2020, 07th August 2020, 26th August 2020, 09th September 2020, 15th September 2020, 25th September 2020, 06th October 2020, 23rd October 2020, 04th November 2020, 23rd November 2020, 08th December 2020, 22nd December 2020, 08th January 2021, 23rd January 2021, 10th February 2021, 26th February 2021, 10th March 2021 & 25th March 2021.

8. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

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

During the year, CSR committee meeting was held on 03rd June 2020, 15th November 2020, 14th November 2020, 13th December 2020 & 22nd March 2021. As prescribed in section 135(5) of the Companies Act, 2013, a budget of Rs 69.50 Lakh was allocated for purpose of CSR and a report on the activities during the current year is attached as Annexure to the Report of Directors to the Shareholders.

The Company Secretary acts as a Secretary to the CSR Committee.

9. GENERAL BODY MEETINGS

(1) Annual General Meetings

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

Financial Year	Date and Time	Venue	Special Resolutions Passed
2017-18 (70th AGM)	29th Sept., 2018 At 11.30 a.m.	2, New Cantonment, Kanpur Road, Prayagraj (Allahabad)	Re-appointment of Mr. Saleem Iqbal Shervani, Managing Director of the Company
2018-19 (71th AGM)	30th Sept, 2019 At 11.30 a.m.	2, New Cantonment, Kanpur Road, Prayagraj (Allahabad)	Re-appointment of Mr. Tahir Hasan Whole-time Director of the Company. Re-appointment of Dr. Ashutosh Pratap Singh as independent Director of the Company. Re-appointment of Mr. Gopal Swarup Chaturvedi as independent Director of the Company. Re-appointment of Mr. Mohd. Aslam Sayeed as independent Director of the Company. Re-appointment of Mrs. Shefali Bansal as independent Director of the Company. Appointment of Mr. Sadiq Husain Siddiqui as Whole-time Director of the Company.
2019-20 (72nd AGM)	30th Sept, 2020 At 11.30 a.m.	2, New Cantonment, Kanpur Road, Prayagraj (Allahabad)	No Special resolution was passed

(2) Extra Ordinary General Meeting

No Extra Ordinary General Meetings was held during the year.

10. DISCLOSURES

- There was no transaction of material nature with the Directors or management or their relatives during the year.
- There was no default in compliance by the Company on any matter related to capital market. No stricture or penalty has been imposed on the Company by Stock Exchange or SEBI or any other statutory authority on any matter during the year.
- The Company had established a vigil mechanism for directors and employees to report concerns about unethical behaviour, fraud or violation of the Company's code of conduct or policy. This mechanism also provides for adequate safeguards against victimisation of director(s)/ employee(s) who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee.
- The Company has obtained the CEO/CFO certificate on the financial results and placed the same before the Board.
- In preparation of financial statements, the Company has followed the Indian Accounting Standards as specified under section 133 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 and as amended from time to time.
- Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN Card of members, transferees, surviving joint holders, legal heirs be furnished to the Registrar & Share Transfer Agent (RTA) while obtaining the services from them. Furnishing of KYC data to the RTA is in the interest of shareholder.

11. Code of Conduct

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

the Company.

12. Means of Communication

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

13. General Shareholders Information

Annual General Meeting

Day, Date and time	Thursday, 30th September 2021 at 11.30 AM
Venue	2, New Cantonment, Kanpur Road, Prayagraj (U.P.)-211 001

Financial Calendar

Financial reporting for the Current Financial year	:	April – March
1st Quarter ending June 30, 2021	:	On or before 14th August 2021
2nd Quarter ending September 30, 2021	:	On or before 14th November 2021
3rd Quarter ending December 31, 2021	:	On or before 14th February 2022
4th Quarter ending March 31, 2022	:	On or before 30th May 2022

Listing on Stock Exchange

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

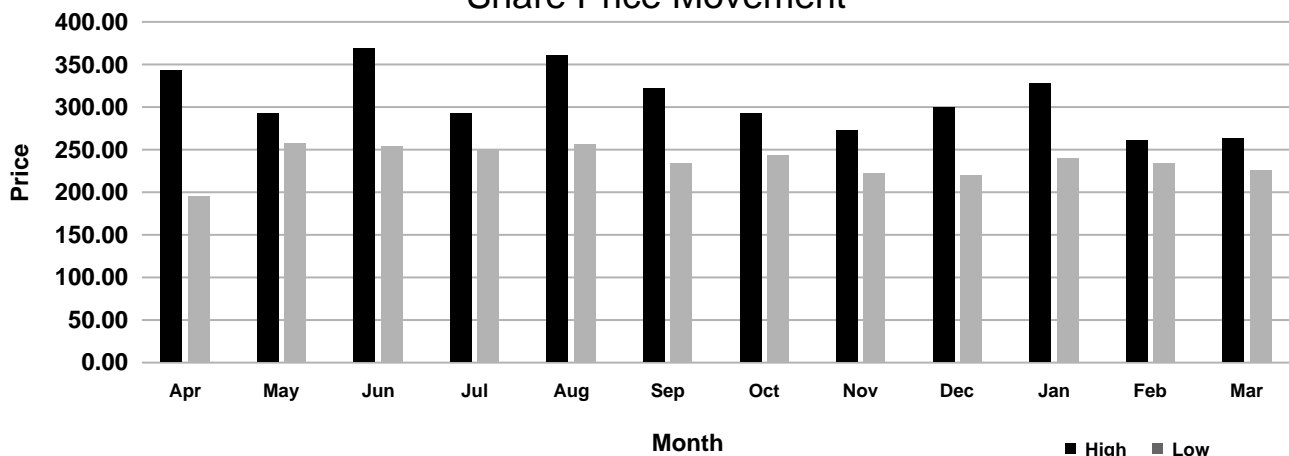
14. Listing Fee

The Company has paid Listing Fee for the Financial Year 2021-22 to BSE Limited, Mumbai

Market Price Data for the Financial Year 2020-2021 on BSE

	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	March
High	350.00	298.00	375.00	298.50	368.00	329.00	299.80	278.90	307.70	334.75	266.50	261.90
Low	200.00	262.50	260.00	255.00	261.55	240.00	250.00	225.10	225.10	245.10	239.75	225.00

Share Price Movement



REGISTRAR & TRANSFER AGENT:

Link Intime India Pvt Limited
C-101, 247 Park,
L.B.S. Marg, Vikhroli (West)
Mumbai-400 083

Share Transfer System

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

Shareholding Pattern and Distribution of Shares as on 31st March 2021

Shareholding Pattern			Distribution of Shareholding		
Category	No. of Shares	%	No. of Shares	No. of Shareholders	Shares
Promoters, Directors & Relatives	1623720	60.12	1-500	1929	140264
Investor Education & Protection Fund	60560	2.24	501-1000	86	63090
Bodies Corporate	403987	14.95	1001-2000	54	78484
Public	564707	20.91	2001-3000	14	34370
HUF	44217	1.64	3001-4000	11	38066
NRI	3827	0.14	4001-5000	12	56007
			5001-10000	13	98005
			10001 and above	32	2192732
Total	2701018	100.00		2099	2701018

Category of Shareholding		
Category	No. of Shares	%
Promoter Group	1623720	60.12
Clearing Members	926	0.03
Other Bodies Corporate	403987	14.95
Government Companies/IEPF	60560	2.24
Hindu Undivided Family	44217	1.64
Non Resident Indians	2091	0.08
Non Resident (Non Repatriable)	1736	0.06
Public	563781	20.87
Total	2701018	100.00

Dematerialisation of Shares

The shares of the Company are fully under the category of compulsory delivery in dematerialised mode by all categories of investors. The Company has signed agreements with both the depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited. As on March 31, 2021 about 95.70 % of the shares of the Company are dematerialised.

Address for Correspondence: **SHERVANI INDUSTRIAL SYNDICATE LIMITED**

Registered Office: Shervani Nagar, Sulem Sarai,

Harwara, Prayagraj-211015(U.P.)

Phone: +91-7311128115; Fax: 0532-2436928,

Email: shervaniind@rediffmail.com

Website: www.shervaniind.com

CERTIFICATE ON CORPORATE GOVERNANCE

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

TO THE MEMBERS OF SHERVANI INDUSTRIAL SYNDICATE LIMITED PRAYAGRAJ

1. This certificate is issued in accordance with the terms of our engagement letter dated 5th July, 2021.
2. We, Gupta Vaish & Co., Chartered Accountants, the Statutory Auditors of Shervani Industrial Syndicate Limited. ("the Company") have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March, 2021, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").
Management's Responsibility
3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.
Auditor's Responsibility
4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the "ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
Opinion
8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, We certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the Listing Regulations during the year ended 31st March, 2021.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Gupta Vaish & Co.
Chartered Accountants
Firm Registration No 0005087C

Rajendra Gupta
(Partner)
Membership Number : 073250
UDIN : 21073250AAAACH6476

Place : Kanpur
Date : July 12, 2021

TO THE MEMBERS OF SHERVANI INDUSTRIAL SYNDICATE LIMITED

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

We have audited the standalone financial statements of SHERVANI INDUSTRIAL SYNDICATE LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss including Other Comprehensive Income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and the profit, Total Comprehensive Income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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

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

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

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

If, based on the work we have performed, we conclude that

there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for

one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, statement of changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer No 39 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

Rajendra Gupta
(Partner)
Membership Number: 073250
UDIN : 21073250AAAABW4275

Place : Kanpur
Date : June 25, 2021

ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

Re: SHERVANI INDUSTRIAL SYNDICATE LIMITED

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March, 2021, we report that:

- i. In respect of its Fixed Assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of the immovable properties are held in the name of the Company.
- ii. In respect of its Inventories:
As explained to us, inventories have been physically verified during the year by the management at reasonable intervals and discrepancies noticed on verification between physical stocks and the book records were not material.
- iii. In respect of loans, secured or unsecured, granted by the Company to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013, according to the information and explanations given to us:
 - (a) The Company had granted Unsecured Loan to a wholly owned subsidiary Company. The terms and conditions of such loan are not prejudicial to the interest of the company.
 - (b) There are no stipulations for the repayment of loan.
 - (c) There is no overdue amount of loan.
- iv. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v. In our opinion and according to information and explanations given to us, the company has not accepted any deposits within the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013. Therefore, the provisions of paragraph (v) of the Companies (Auditor's Report) order, 2016, are not applicable to the company.
- vi. We have broadly reviewed the books of account maintained by the company, pursuant to the rules made by the Central Government, for maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 and we are of the opinion that prima-facie the prescribed accounts and records have been maintained.
- vii. According to the information and explanations given to us, in respect of statutory and other dues:
 - (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and any other statutory dues applicable to it.
 - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues were in arrear as at 31st March, 2021 for a period more than six months from the date they became payable.

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

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loan during the year. Accordingly, provisions of paragraph 3(ix) of the Companies (Auditor's Report) order, 2016, are not applicable to the company.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, provisions of paragraph 3(xii) of the Companies (Auditor's Report) order, 2016, are not applicable to the company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transaction with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and on our examination of the records of the Company, the Company has not entered in to non cash transactions with directors or person connected with them. Accordingly provisions of paragraph 3(xv) of the Companies (Auditor's Report) order, 2016, are not applicable to the company.
- xvi. The Company is not required to be registered under section 45 –IA of the Reserve Bank of India Act 1934.

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

Rajendra Gupta
(Partner)
Membership Number: 073250
UDIN : 21073250AAAABW4275

Place : Kanpur
Date : June 25, 2021

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

We have audited the internal financial controls over financial reporting of **SHERVANI INDUSTRIAL SYNDICATE LIMITED** (“the Company”) as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Rajendra Gupta
(Partner)
Membership Number: 073250
UDIN : 21073250AAAABW4275

Place : Kanpur
Date : June 25, 2021

		As at 31 st March, 2021	As at 31 st March, 2020
			(Rs. In Lakhs)
	Note No.		
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	803.07	788.92
Financial Assets			
Investments	3	908.48	962.98
Other Financial Assets	4	<u>230.25</u>	<u>109.72</u>
Total Non Current Assets		<u>1,941.80</u>	<u>1,861.62</u>
Current Assets			
Inventories	5	14,180.42	13,060.60
Financial Assets			
Investments	6	286.57	237.94
Trade Receivables	7	158.54	53.87
Cash and Cash Equivalents	8	348.17	109.10
Other Bank Balances	9	982.37	1,042.82
Loans	10	489.73	489.73
Other Financial Assets	11	10.72	9.66
Other Current Assets	12	<u>36.38</u>	<u>83.74</u>
Total Current Assets		<u>16,492.90</u>	<u>15,087.46</u>
TOTAL ASSETS		<u>18,434.70</u>	<u>16,949.08</u>
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	13	272.10	272.10
Other Equity	14	<u>13,089.76</u>	<u>13,087.08</u>
Total Equity		<u>13,361.86</u>	<u>13,359.18</u>
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	15	49.35	106.18
Provisions	16	13.48	14.76
Deferred Tax Liability (Net)	17	<u>46.37</u>	<u>59.13</u>
Total Non Current Liability		<u>109.20</u>	<u>180.07</u>
Current Liabilities			
Financial Liabilities			
Borrowings	18	258.43	377.27
Trade Payables	19	89.34	87.56
Other Financial Liabilities	20	150.36	156.39
Other Current Liabilities	21	4,038.10	2,267.61
Provisions	22	<u>427.41</u>	<u>521.00</u>
Total Current Liability		<u>4,963.64</u>	<u>3,409.83</u>
TOTAL EQUITY AND LIABILITIES		<u>18,434.70</u>	<u>16,949.08</u>
Significant Accounting Policies & Notes to Financial Statements	1-43		

As per our report of even date attached
For Gupta Vaish & Co.
Chartered Accountants

Rajendra Gupta
Partner

S.K. Shukla
Company Secretary

Tahir Hasan
Whole Time Director &
Chief Financial Officer
DIN: 00074282

Mohd. Aslam Sayeed
Director
DIN: 06652348

Saleem I. Shervani
Managing Director
DIN: 00023909

Place : Prayagraj
Date : June 25, 2021

73RD ANNUAL REPORT (2020-2021) STATEMENT OF PROFIT & LOSS

PARTICULARS	Note No.	Year Ended	Year Ended
		March 31, 2021	March 31, 2020
			(Rs. In Lakhs)
Revenue from Operations	23	2,752.20	8,736.50
Other Income	24	163.67	122.23
Total Income		<u>2,915.87</u>	<u>8,858.73</u>
EXPENSES			
Cost of Construction And Development Expenses	25	2,774.86	3,294.68
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	26	(1,119.82)	2,145.66
Employees Benefit Expense	27	123.42	158.92
Finance Costs	28	28.70	29.06
Depreciation and Amortisation Expense		63.81	60.99
Other Expenses	29	503.05	691.84
Total Expenses		<u>2,374.02</u>	<u>6,381.15</u>
PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS		541.85	2,477.58
Exceptional Item	30	54.50	-
PROFIT BEFORE TAX		487.35	2,477.58
Tax Expense	31		
Current Tax		90.50	433.00
Deffered Tax		(12.76)	2.71
Tax Adjustment of Earlier Years		(293.76)	80.67
PROFIT FOR THE YEAR		<u>703.37</u>	<u>1,961.20</u>
OTHER COMPREHENSIVE INCOME			
Items that will be reclassified to Profit or Loss			
Fair Value change on Equity Instrument through other comprehensive Income(Net of Tax)		83.87	(45.52)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>787.24</u>	<u>1,915.68</u>
Earnings per equity share (face value of Rs. 10/- each)			
Basic and Diluted	32	25.85	70.17
Significant Accounting Policies & Notes to Financial Statements	1-43		

As per our report of even date attached
For Gupta Vaish & Co.
Chartered Accountants

Rajendra Gupta
Partner

S.K. Shukla
Company Secretary

Tahir Hasan
Whole Time Director &
Chief Financial Officer
DIN: 00074282

Mohd. Aslam Sayeed
Director
DIN: 06652348

Saleem I. Shervani
Managing Director
DIN: 00023909

Place : Prayagraj
Date : June 25, 2021

73RD ANNUAL REPORT (2020-2021)

Statement of changes in Equity for the year ended 31st March, 2021

(Rs. In Lakhs)

Share Capital	Balance at the beginning of the reporting period	Changes in Equity Share Capital during the year	Balance at the end of the reporting period
For the year ended 31 st March, 2020	313.60	(41.50)	272.10
For the year ended 31 st March, 2021	272.10	-	272.10

(Rs. In Lakhs)

Reserve and Surplus							
Reserve	Capital Subsidy Reserve	General Reserve	Capital Redemption Reserve	Capital Reserve on Revaluation of Land	Retained Earnings	Other Comprehensive Income	Total
Balance as at 31st March, 2019	19.27	5,046.86	34.42	8,800.03	1,136.34	22.67	15,059.59
Profit for the year	-	-	-	-	1,961.20	-	1,961.20
Movement in OCI During the Year	-	-	-	-	-	(45.52)	(45.52)
Reclassified to Profit/(Loss) on disposal	-	-	-	-	-	(28.88)	(28.88)
Transfer to Profit and Loss statement	-	-	-	(1,825.81)	-	-	(1,825.81)
Transfer from General Reserve	-	-	41.50	-	-	-	41.50
Utilised for Buy Back of Equity Shares	-	(2,033.50)	-	-	-	-	(2,033.50)
Transfer to Capital Redemption Reserve	-	(41.50)	-	-	-	-	(41.50)
Balance as at 31st March, 2020	19.27	2,971.86	75.92	6,974.22	3,097.54	(51.73)	13,087.08
Profit for the year	-	-	-	-	703.37	-	703.37
Movement in OCI During the Year	-	-	-	-	-	83.87	83.87
Reclassified to Profit/(Loss) on disposal	-	-	-	-	-	2.79	2.79
Transfer to Profit and Loss statement	-	-	-	(719.33)	-	-	(719.33)
Final Dividend Paid	-	-	-	-	(68.02)	-	(68.02)
Utilised for Buy Back of Equity Shares	-	-	-	-	-	-	-
Transfer to Capital Redemption Reserve	-	-	-	-	-	-	-
Balance as at 31st March, 2021	19.27	2,971.86	75.92	6,254.89	3,732.89	34.93	13,089.76

	2020-2021		2019-2020	
			(Rs. In Lakhs)	
A) CASH FLOW FROM OPERATING ACTIVITIES				
Profit/(Loss) Before Tax		487.35		2,477.58
Adjustment For				
Exceptional Item	54.50		-	
Bad Debts and Sundry Balances Written off	1.21		29.91	
Transfer from Capital Reserve on Revaluation of Land	(719.33)		(1,825.81)	
Depreciation	63.81		60.99	
Loss /(Profit) on Sale of Assets	6.65		10.10	
Interest Expense	28.70		29.05	
Interest Income	(77.16)		(104.45)	
Dividend Received	(0.32)		(0.32)	
(Profit)/Loss on Sale of Investments	(23.99)	(665.93)	(11.12)	(1,811.65)
Operating Profit before Working Capital Changes		<u>(178.58)</u>		<u>665.93</u>
Adjustment For :				
(Increase)/Decrease in Trade and Other receivables	(58.52)		427.55	
(Increase)/Decrease in Inventories	(1,119.82)		2,145.66	
Increase/(Decrease) in Trade and Other Payables	1,773.75	595.41	(4,095.27)	(1,522.06)
Cash generated / (used) in operation		<u>416.83</u>		<u>(856.13)</u>
Add/(Deduct) For :				
Direct tax (paid)/Refund of earlier years	107.24		(439.00)	
Net Cash (used in)/from operating activities (Total – A)		<u>524.07</u>		<u>(1,295.13)</u>
B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets		(96.61)		(73.05)
Sale of Fixed Assets		12.00		76.27
(Purchase)/Sale of Current Investments (Net of Sale/ Purchase)		62.02		809.65
Movement in Fixed Deposits		(59.68)		1,673.00
Dividend Received		0.32		0.32
Interest Received		76.10		142.08
Net Cash (used in)/from investing activities (Total - B)		<u>(5.85)</u>		<u>2,628.27</u>

	2020-2021	2019-2020 (Rs. In Lakhs)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Buy Back of Equity Shares	-	(2,075.00)
Loans & Borrowings	(182.03)	(179.02)
Interest Paid	(28.70)	(29.05)
Change in Other Financial Asset	(0.40)	3.58
Dividend Paid	(68.03)	-
Net Cash (used in)/from financing activities (Total – C)	<u>(279.16)</u>	<u>(2,279.49)</u>
Net Increase / (Decrease)in Cash and Cash Equivalents (A+B+C)	<u>239.07</u>	<u>(946.35)</u>
Add : Cash and Cash Equivalents	<u>109.10</u>	<u>1,055.45</u>
Closing Cash and Cash Equivalent	<u>348.17</u>	<u>109.10</u>

Notes:

1. Cash and cash equivalents consists of cheques, drafts, balance and deposits with original maturity of upto three months.
2. Reconciliation of Cash and Cash Equivalents : Cash and Cash Equivalents as per Note No. 8

Significant Accounting Policies & Notes to Financial Statements 1-43

As per our report of even date attached

For Gupta Vaish & Co.

Chartered Accountants

Rajendra Gupta
Partner

S.K. Shukla
Company Secretary

Tahir Hasan
Whole Time Director &
Chief Financial Officer
DIN: 00074282

Mohd. Aslam Sayeed
Director
DIN: 06652348

Saleem I. Shervani
Managing Director
DIN: 00023909

Place : Prayagraj

Date : June 25, 2020

NOTES ON FINANCIAL STATEMENTS

NOTE No. 1. SIGNIFICANT ACCOUNTING POLICIES**Reporting Entity**

Shervani Industrial Syndicate Limited (the "Company") is a listed entity domiciled in India and limited by shares (CIN: L45202UP1948PLC001891). The company is engaged in the business of Real Estate and development of infrastructure facilities.

The address of the company's registered office is Shervani Nagar, Sulem Sarai, Harwara, Prayagraj - 211 015.

1.1 Basis of preparation

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

1.2 Current and Non-Current Classification

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

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

An entity shall classify a liability as current when:

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

All other liabilities are classified as non-current.

1.3 Revenue Recognition**1.3.1 Revenue from Sale of Real Estate**

The Company recognises revenue from contracts (Ind AS 115) with customers when it satisfies a performance obligation by transferring promised good or service to a customer. The revenue is recognised to the extent of transaction price allocated to the performance obligation

satisfied. Performance obligation is satisfied over time when the transfer of control of asset (good or service) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation.

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

1.3.2 Interest

Interest income is recognised using the Effective Interest Method.

1.3.3 Dividend

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

1.3.4 Other Claims

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

1.4 Property, Plant and Equipment (PPE)

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

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

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

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

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

Subsequent Measurement

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

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

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

Depreciation

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

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

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

1.5 Financial Instruments

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

1.5.1 Financial assets

1.5.1 Initial recognition and measurement

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

1.5.2 Subsequent measurement

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

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

1.5.2.1 Equity investments in subsidiaries and associates

In accordance of Ind AS 101 (First time adoption of Ind AS), the carrying amount of these investments as per previous GAAP as on the date of transition is considered to be the deemed cost. Subsequently Investment in subsidiaries and associates are measured at cost.

1.5.2.2 Other Equity Investment

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

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

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

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

1.5.3 Financial Liabilities

1.5.3.1 Initial recognition and measurement

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

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

1.5.4 Offsetting of financial instruments

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

1.6 Borrowing Costs

Borrowing costs are expensed as incurred except where

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

1.7 Taxation

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

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

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

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

1.8 Employee Benefits

(i) Short term employee benefits

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

(ii) Defined contribution plans

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

a) Provident Fund

(iii) Defined benefit plans

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

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

the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

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

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

The company has following defined benefit plans:

a) Gratuity

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

b) Leave Encashment

Leave Encashment is payable to eligible employees at the time of retirement. The liability for leave encashment, which is defined benefit scheme, is provided on actuarial valuation as at the Balance Sheet date, based on projected unit credit method, carried out by the independent actuary.

1.9 Inventories

i) Inventories are valued as follows:

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

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

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

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

1.10 Provisions, Contingent Liabilities & Contingent Assets

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

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

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

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

1.11 Earnings per share

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

1.12 Judgements, Estimates and Assumptions

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

1.12.1 Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts

recognised in the consolidated financial statements:

1.12.1.1 Formulation of Accounting Policies

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

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

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

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

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

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

1.12.1.2 Materiality

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

1.12.2 Estimates and Assumptions

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

1.12.2.1 Impairment of non-financial assets

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

1.12.2.2 Taxes

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

1.12.2.3 Defined Benefit Plans

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

that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

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

1.12.2.4 Fair value measurement of financial instruments

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

1.15 Abbreviation used:

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

(Rs. In Lakhs)

Notes on Financial Statements for the year ended 31st March, 2021

2. PROPERTY, PLANT AND EQUIPMENT

PARTICULARS	GROSS BLOCK							
	As at 1 st April, 2019	Additions	Deductions/ Adjustments	As at 31 st March, 2020	As at 1 st April, 2020	Additions	Deductions/ Adjustments	As at 31 st March, 2021
Freehold Land	164.64	-	-	164.64	164.64	-	-	164.64
Leasehold Land	0.05	-	-	0.05	0.05	-	-	0.05
Non-Factory Building	457.74	-	86.08	371.66	371.66	-	-	371.66
Plant And Equipments	53.09	0.44	-	53.53	53.53	3.96	-	57.49
Furniture And Fixture	14.91	3.73	-	18.64	18.64	-	-	18.64
Vehicles	408.62	68.65	19.40	457.87	457.87	92.00	23.84	526.03
Office Equipments	1.85	-	-	1.85	1.85	0.11	-	1.96
Computers	52.61	0.23	-	52.84	52.84	0.55	-	53.39
	<u>1,153.51</u>	<u>73.05</u>	<u>105.48</u>	<u>1,121.08</u>	<u>1,121.08</u>	<u>96.62</u>	<u>23.84</u>	<u>1,193.86</u>

PARTICULARS	DEPRECIATION AND AMORTIZATION							
	Upto 1 st April, 2019	For The Year	Deductions	Upto 31 st March, 2020	Upto 1 st April, 2020	For The Year	Deductions	Upto 31 st March, 2021
Freehold Land	-	-	-	-	-	-	-	-
Leasehold Land	-	-	-	-	-	-	-	-
Non-Factory Building	71.42	5.64	0.68	76.38	76.38	5.64	-	82.02
Plant And Equipments	34.84	2.23	-	37.07	37.07	2.25	-	39.32
Furniture And Fixture	13.46	0.60	-	14.06	14.06	0.39	-	14.45
Vehicles	120.93	51.62	18.43	154.12	154.12	54.54	5.19	203.47
Office Equipments	0.97	0.28	-	1.25	1.25	0.26	-	1.51
Computers	48.67	0.61	-	49.28	49.28	0.74	-	50.02
	<u>290.29</u>	<u>60.98</u>	<u>19.11</u>	<u>332.16</u>	<u>332.16</u>	<u>63.82</u>	<u>5.19</u>	<u>390.79</u>

PARTICULARS	NET BLOCK	
	As at 31 st March, 2021	As at 31 st March, 2020
Freehold Land	164.64	164.64
Leasehold Land	0.05	0.05
Non-Factory Building	289.64	295.28
Plant And Equipments	18.17	16.46
Furniture And Fixture	4.19	4.58
Vehicles	322.56	303.75
Office Equipments	0.45	0.60
Computers	3.37	3.56
	<u>803.07</u>	<u>788.92</u>

	As at 31 st March, 2021	As at 31 st March, 2020 (Rs. In Lakhs)
3 Non Current Investments		
Investment in Equity Instrument (Unquoted)		
Investments Measured at Cost		
In Subsidiary Company		
Farco Foods Private Limited (900000 equity shares of Rs. 10/- each)	27.00	27.00
Total (A)	27.00	27.00
In Associate Companies		
Shervani Hospitalities Limited (2265750 equity shares of Rs. 10/- each)	881.43	881.43
Youngtronics India Private limited (85000 equity shares of Rs. 10/- each)	8.50	8.50
Less:Provision for Diminuation in Investment	(8.50)	-
	-	8.50
460000, 6% Non-Cumulative Redeemable Preference Shares of Rs. 10/- each of Youngtronics India Pvt. Ltd.	46.00	46.00
Less:Provision for Diminuation in Investment	(46.00)	-
Total (B)	881.43	935.93
Investment in equity instruments (Unquoted) 500 shares of Super Bazar Co-Operative Stores Ltd. Of Rs. 10/- each	0.05	0.05
Total (C)	0.05	0.05
Total (A+B+C)	908.48	962.98
Aggregate value of Unquoted investment	908.48	962.98
Amount of Investment measured at Cost	908.48	962.98
4 Other Financial Assets		
Earmarked Balances with Banks	99.26	98.86
Fixed Deposits (Pledged with Govt. Authority)	130.99	10.86
Total	230.25	109.72
5 Inventories		
Work In Progress(Real Estate)	7,770.49	5,924.23
Stock-in-trade (Land and Expenses thereon)	6,409.93	7,136.37
Total	14,180.42	13,060.60

		As at 31 st March, 2021	As at 31 st March, 2020
			(Rs. In Lakhs)
6	Current Investment		
	Investment in Equity Instruments (Quoted)		
	Measured at FVOCI		
	Unit		
1000	Equity Shares of Reliance Infra Limited	0.29	0.10
(1000)	of Rs.10/- Each		
10000	Equity Shares of Cerebra Integrated Technologies	4.37	1.79
(10000)	of Rs.10/- Each		
-	Equity Shares of HDFC Bank Ltd.	-	2.19
(255)	of Rs.10/- Each		
-	Equity Shares of Housing Development Finance Corp. Ltd	-	1.66
(102)	of Rs.10/- Each		
-	Equity Shares of ICICI Bank Ltd	-	1.23
(382)	of Rs.10/- Each		
-	Equity Shares of Infosys Limited	-	1.36
(212)	of Rs.10/- Each		
-	Equity Shares of ITC Limited	-	0.87
(508)	of Rs.10/- Each		
-	Equity Shares of Kotak Mahindra Bank Limited	-	1.02
(79)	of Rs.10/- Each		
-	Equity Shares of Larsen & Toubro Limited	-	0.60
(74)	of Rs.10/- Each		
-	Equity Shares of Reliance Industries Limited	-	2.09
(189)	of Rs.10/- Each		
-	Equity Shares of TCS Limited	-	1.13
(62)	of Rs.10/- Each		
-	Equity Shares of Hindustan Unilever Ltd	-	0.98
(43)	of Rs.10/- Each		
	Total value of Quoted Investment	4.66	15.02
	Units Investment in Mutual Fund (Unquoted)		
-	Union Capital Protection Oriented Fund -Series 8-(Growth)	-	15.52
(150000)	of Rs.10/- Each		
1999990	SBI Long term Advantage Fund Series V- Growth	241.36	160.80
(1999990)	of Rs.10/- Each		
-	Union Arbitrage Fund Regular Plan - Growth	-	10.56
(99990)	of Rs.10/- Each		
-	Union Focused Fund- Regular Growth Plan	-	12.72
(149990)	of Rs.10/- Each		
-	Union Large & Midcap Fund - Regular Growth	-	7.56
(99990)	of Rs.10/- Each		
49997.5	Union Medium Duration Fund	5.08	-
-			
99985.001	Union Hybrid Equity Fund	10.46	-

	As at 31 st March, 2021	As at 31 st March, 2020 (Rs. In Lakhs)
46239.322 SBI Savings Fund	15.05	-
-		
71520.029 Union Balance Advantage Fund	9.96	-
-		
- Union Mid Cap Fund	-	15.76
(14990) of Rs.10/- Each		
Total value of Unquoted Investment	281.91	222.92
TOTAL AGGREGATE VALUE OF INVESTMENT MEASURED AT FVOCI	286.57	237.94
Investment measured at FVOCI	286.57	237.94
Total Value of Unquoted Investment	281.91	222.92
Aggregate amount of Impairment in value of Investment	83.87	45.52
7 Trade Receivables		
Trade Receivables Considered good, Unsecured (More than 6 Months: Rs. 67.04 Lakh; Previous Year- Rs. 36.09 Lakh)	158.54	53.87
Total	158.54	53.87
8 Cash and Cash Equivalents		
Balances with Banks		
In Current Accounts	338.93	102.44
In Fixed Deposits (Pledged with Govt. Authority)	4.31	4.06
Cash on Hand	4.93	2.60
Total	348.17	109.10
9 Other Bank Balances		
In Fixed Deposit (Pledged with bank Rs. 982.37 & Previous Year: Rs.920.86) against Overdraft Facilities	982.37	1,042.82
Total	982.37	1,042.82
10 Loans		
Loans Receivable Considered Good- Unsecured		
Loans to related parties	489.73	489.73
Loans which have significant increase in Credit Risk		
Loans to related parties	150.00	150.00
	639.73	639.73
Less: Allowance for bad and doubtful debts	150.00	150.00
TOTAL	489.73	489.73
11 Other Financial Assets		
Interest accrued on FDR with Bank	10.72	9.66
Total	10.72	9.66
12 Other Current Assets		
Unsecured Considered good		
Security Deposit	8.22	5.72
Prepaid Expenses	4.89	4.70
Advance Received in Cash or Kind		
Advance to Others	23.27	73.32
Total	36.38	83.74

	As at 31 st March, 2021	As at 31 st March, 2020 (Rs. In Lakhs)
13 Share Capital		
Authorised:		
6280000 Equity Shares of Rs. 10/- each	628.00	628.00
20000 Cumulative Redeemable Preference Shares of Rs. 100/- each	20.00	20.00
8,000 Deferred Shares of Rs. 25/- each	2.00	2.00
	650.00	650.00
Issued, Subscribed and Fully Paidup:		
2701018 (Previous year: 2701018) Equity Shares of Rs. 10/- each fully paidup	270.10	270.10
8000 Deferred Shares of Rs. 25/- each fully paidup	2.00	2.00
Total	272.10	272.10

The Reconciliation of number of shares outstanding at the beginning and end of the year:

Particulars	As At 31st March, 2021 No. of Shares	As At 31st March, 2020 No. of Shares
At the beginning of the year	27.09	31.24
Changes during the year (Shares buy back during the year)	-	(4.15)
At the end of the year	27.09	27.09

The details of Shareholders holding more than 5% shares

Name of Shareholder	As at 31 st March, 2021		As at 31 st March, 2020	
	No. of Shares	% Held	No. of Shares	% Held
Mr. Saleem Iqbal Shervani	3,84,980	14.25	3,84,980	14.25
M/s Lebensraum Infra Pvt Ltd	2,00,221	7.41	2,00,221	7.41
M/s Frost Traders Private Limited	3,67,602	13.61	3,67,602	13.61

	As at 31 st March, 2021	As at 31 st March, 2020 (Rs. In Lakhs)
14		
Other Equity		
Capital Subsidy Reserve		
Balance at the beginning of the year	19.27	19.27
Balance at the end of the year	<u>19.27</u>	<u>19.27</u>
General Reserve		
Balance at the beginning of the year	2,971.86	5,046.86
Utilised for buy back of Equity Shares	-	(2,033.50)
Transfer to Capital Redemption Reserve	-	(41.50)
Balance at the end of the year	<u>2,971.86</u>	<u>2,971.86</u>
Capital Redemption Reserve		
Balance at the beginning of the year	75.92	34.42
Transfer from General Reserve	-	41.50
Balance at the end of the year	<u>75.92</u>	<u>75.92</u>
Capital Reserve on Revaluation on Land		
Balance at the beginning of the year	6,974.22	8,800.03
Less:- Transfer to Profit and Loss Account	(719.33)	(1,825.81)
Balance at the end of the year	<u>6,254.89</u>	<u>6,974.22</u>
Retained Earnings		
Balance at the beginning of the year	3,097.54	1,136.34
Add: Profit as per Profit & Loss Statement	703.37	1,961.20
Less: Final Dividend Paid	68.02	-
Balance at the end of the year	<u>3,732.89</u>	<u>3,097.54</u>
Other Comprehensive Income(OCI)		
As per last balance sheet	(51.73)	22.67
Add:- Movement in OCI(Net of Tax) during the year	83.87	(45.52)
Add: Reclassified to Profit/(Loss) on disposal	2.79	(28.88)
Balance at the end of the year	34.93	(51.73)
Total	<u>13,089.76</u>	<u>13,087.08</u>
15		
Borrowings		
Secured Loan		
Vehicle Loans(Secured by hypothecation of vehicle)	49.35	106.18
Total	<u>49.35</u>	<u>106.18</u>
16		
Provisions		
Provision for Employees Benefit	13.48	14.76
Total	<u>13.48</u>	<u>14.76</u>
17		
Deferred Tax Asset/(Liability) (Net)		
Deferred Tax Liabilities		
Related to Property, Plant and Equipment	56.43	59.13
Deferred Tax Assets		
Under Section 43B	10.06	-
Total	<u>46.37</u>	<u>59.13</u>

	As at 31 st March, 2021	As at 31 st March, 2020 (Rs. In Lakhs)
18		
Current Liability		
Financial Liability		
Borrowings		
Secured Loan from Banks		
Overdraft from Union Bank of India (Secured by hypothecation of Fixed Deposits)	12.76	377.27
State Bank of India CC A/c (Secured by pledge of Company's Land at Sulem Sarai, Prayagraj)	245.67	-
Total	<u>258.43</u>	<u>377.27</u>
19		
Trade Payables		
Dues towards Others	89.34	87.56
Total	<u>89.34</u>	<u>87.56</u>
20		
Other Financial Liabilities		
Current Maturity of Long Term Debt	51.10	57.46
Unpaid Dividend	99.26	98.70
Temporary Book Overdraft	-	0.23
Total	<u>150.36</u>	<u>156.39</u>
21		
Other Current Liabilities		
Advance from Customer	3,773.58	1,998.03
GST Payable	69.55	1.60
Security Deposit	8.15	8.56
Other Payables *	186.82	259.42
Total	<u>4,038.10</u>	<u>2,267.61</u>
	*Other paybles includes statutory liability, employee liability etc.	
22		
Provisions		
Current Tax Liability (Net)	424.83	520.86
Provision For Employees Benefit	2.58	0.14
Total	<u>427.41</u>	<u>521.00</u>

	Year ended March 31, 2021	Year ended March 31, 2020 (Rs. In Lakhs)
23 Revenue from Operations		
Sale of Plot & Flat (including transfer from revaluation reserve Rs. 719.33, Previous year Rs. 1825.81)	2,752.20	8,736.50
TOTAL	<u>2,752.20</u>	<u>8,736.50</u>
24 Other Income		
Interest Received	77.16	104.45
Interest Received (Income Tax)	26.26	-
Dividend Received	-	0.32
Other Non-Operating Income:		
Rent	8.29	1.08
Provision of Liability No Longer Required	0.66	2.79
Profit on Sale Of Investments (Net)	24.40	11.12
Dues from Customers Received	21.70	-
Miscellaneous Receipts	5.20	2.47
Total	<u>163.67</u>	<u>122.23</u>
25 Cost of Construction and Development Expenses	2,774.86	3,294.68
Total	<u>2,774.86</u>	<u>3,294.68</u>
26 Change in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade		
Inventories (at close)		
Stock in trade(Real Estate)	6,409.93	7,136.37
Work-in-Progress	7,770.49	5,924.23
	<u>14,180.42</u>	<u>13,060.60</u>
Inventories(at commencement)		
Finished Goods	-	3.21
Stock in trade(Real Estate)	7,136.37	8,988.14
Work-in-Progress (Restated)	5,924.23	6,214.91
	<u>13,060.60</u>	<u>15,206.26</u>
Total	<u>(1,119.82)</u>	<u>2,145.66</u>
27 Employees Benefit Expense		
Salaries And Wages	112.01	147.43
Contribution To Provident And Other Funds	7.43	7.09
Staff Welfare Expenses	3.98	4.40
Total	<u>123.42</u>	<u>158.92</u>
28 Finance Cost		
Interest Paid on Bank Borrowings	16.43	12.34
Interest Paid on Vehicle Loan	12.27	16.72
Interest Paid on Bank Loan (Project)	21.74	-
	50.44	29.06
Less:Capitalised	21.74	-
Total	<u>28.70</u>	<u>29.06</u>
29 Other Expenses		
Establishment Expenses		
Rent	3.68	2.63
Project Maintenance Expenses	109.76	157.12

	Year ended March 31, 2021	Year ended March 31, 2020 (Rs. In Lakhs)
Repair Buildings	4.24	18.87
Insurance	7.39	7.23
Rates And Taxes	1.51	1.98
Vehicle Maintenance	18.80	19.69
Professional Charges	59.73	66.97
Travelling And Conveyance Expenses	2.20	6.18
Payment To The Auditors		
As Auditor	1.77	1.77
For Other Services	0.59	0.94
Directors' Sitting Fee	7.75	6.25
GST Paid (on Reverse Charge)	2.51	9.52
Loss on sale of assets	6.65	10.10
Profit/Loss on sale of Shares(Net)	0.42	-
CSR Expenses	69.50	48.00
Share Buyback Expenses	-	24.20
Miscellaneous Expenses	131.19	154.84
TOTAL (A)	427.69	536.29
Selling and Distribution Expenses		
Brokerage	75.36	155.55
TOTAL (B)	75.36	155.55
TOTAL (A+B)	503.05	691.84
30 Exceptional Items		
Provision for Investment	54.50	-
	54.50	-
31 Tax Expenses		
Amount recognised in Profit and Loss	2020-21	2019-20
Current Tax		
Income tax for the year	90.50	433.00
Adjustment/related to previous year -Net	(293.76)	80.67
Total Current Tax	(203.26)	513.67
Deferred Tax		
Deferred Tax for the year	(12.76)	(2.71)
Adjustment/(credits) related to previous year -Net	-	-
Total Deferred Tax	(12.76)	(2.71)
Total Tax Expense	(216.02)	(516.38)
32 Earning Per Share		
Net profit available for equity shareholders (Numerator used for calculation)	703.37	1,961.20
Weighted Average Number of Equity Shares (in Lakh) (Used as Denominator for calculating EPS)	27.21	27.95
Basic and Diluted Earning per share of Rs. 10/-	25.85	70.17
33 Corporate Social Responsibility Expenditure		
a. CSR amount required to be spent as per Section 135 of Companies Act,2013 read with schedule VII thereof by the company during the year ended 31st March 2021 is Rs. 65.45 Lakh (Rupees Sixty Five Lakh Forty Five Thousand Only)		(Rs. in Lakh)
b. Amount spent during the year on:	Paid in cash:	Yet to be paid in cash
Promoting Education	69.50	-
		Total
		69.50

Year ended
March 31, 2021

Year ended
March 31, 2020

Excess amount of Rs. 3.55 lakh paid by the Company towards CSR will be available for set off against company's CSR Liability under section 135(5) of the Companies Act 2013 in succeeding three financial year in accordance with Companies (Corporate Social Responsibility Policy) Amendment Rules 2021.

34 Investments and Loans outstanding in Subsidiary Company

Name of Company	% of Shareholding	Investment in Shares	Loan Balance Outstanding	(Rs. in Lakhs) Provision Made
Farco Foods Pvt. Ltd.	100	27.00	639.73	150.00

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

35 Employee Benefits

A. Gratuity

Amounts in Balance Sheet	Increase/(Decrease)	31-Mar-21	31-Mar-20
Defined Benefit Obligation (DBO)	1,97,826	28,91,768	26,93,942
Fair Value of Plan Assets	1,62,105	28,41,737	26,79,632
Funded Status - (Surplus)/Deficit	35,721	50,031	14,310
Unrecognized Past Service Cost / (Credit)	-	-	-
Unrecognised Asset due to Limit in Para 64(b)	-	-	-
Liability/(Asset) recognised in the Balance Sheet	35,721	50,031	14,310

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

Amount Recognised in the Statement of Profit & Loss	Increase/(Decrease)	31-Mar-21	31-Mar-20
Current Service Cost	17,365	2,79,344	2,61,979
Interest Cost	6,060	1,77,156	1,71,096
Expected Return on Plan Assets	13,297	(1,76,204)	(1,89,502)
Past Service Cost	-	-	-
"(Gain)/Loss due to Settlements/Curtailments/Acquisitions/Divestitures"	-	-	-
Total Expense/(Income) included in "Employee Benefit Expense"	36,722	2,80,296	2,43,573

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

Amount recognised in Other Comprehensive Income (OCI)	Increase/(Decrease)	31-Mar-21	31-Mar-20
Amount recognized in OCI, Beginning of Period	11,340	(6,08,866)	(6,20,205)
Remeasurements due to			
Effect of Change in financial assumptions [C]	(2,14,534)	(52,799)	1,61,735
Effect of Change in demographic assumptions [D]	1,196	-	(1,196)
Effect of experience adjustments [E]	(42,477)	(2,05,875)	(1,63,398)
Actuarial (Gains)/Losses (C+ D +E)	(2,55,815)	(2,58,674)	(2,859)
Return on plan assets (excluding interest)	99	(14,099)	(14,199)
Total remeasurements recognized in OCI	(2,55,914)	(2,44,575)	11,340
Amount recognized in OCI, End of Period	(2,44,575)	(8,53,440)	(6,08,866)

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

Actual Return on Plan Assets	Increase/(Decrease)	31-Mar-21	31-Mar-20
Interest Income Plan Asset	(13,297)	1,76,204	1,89,502
Actuarial Gains/(Losses) on Plan Assets	99	(14,099)	(14,199)
Actual Return on Plan Assets	(13,198)	1,62,105	1,75,303

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

(Amount in Rs.)

Change in Present Value of Benefit Obligation during during the Period	Increase/(Decrease)	31-Mar-21	31-Mar-20
Defined Benefit Obligation, Beginning of Period	4,30,216	26,93,942	22,63,726
Current Service Cost	17,365	2,79,344	2,61,979
Interest Cost	6,060	1,77,156	1,71,096
Actual Plan Participants' Contributions	-	-	-
Actuarial (Gains)/Losses	(2,55,815)	(2,58,674)	(2,859)
Acquisition/Business Combination/Divestiture	-	-	-
Actual Benefits Paid	-	-	-
Past Service Cost	-	-	-
Changes in Foreign Currency Exchange Rates	-	-	-
Loss / (Gains) on Curtailments	-	-	-
Liabilities Extinguished on Settlements	-	-	-
Defined Benefit Obligation, End of Period [Reference : Ind AS 19 para 120A (c)]	1,97,826	28,91,768	26,93,942
Change in Fair Value of Plan Assets during the Period	Increase/(Decrease)	31-Mar-20	31-Mar-20
Fair value of Plan Assets, Beginning of Period	1,75,303	26,79,632	25,04,329
Interest Income Plan Asset	(13,297)	1,76,204	1,89,502
Actual Enterprise's Contributions	-	-	-
Actual Plan Participants' Contributions	-	-	-
Actual Benefits Paid	-	-	-
Actuarial Gains/(Losses)	99	(14,099)	(14,199)
Acquisition/Business Combination/Divestiture	-	-	-
Changes in Foreign Currency Exchange Rates	-	-	-
Liabilities Extinguished on Settlements	-	-	-
Fair Value of Plan Assets, End of Period [Reference : Ind AS 19 para 120A (e)]	1,62,105	28,41,737	26,79,632
Current / Non Current Benefit Obligation	Increase/(Decrease)	31-Mar-21	31-Mar-20
Current Liability	-	-	-
Non Current Liability	35,721	50,031	14,310
Liability/(Asset) Recognised in the Balance Sheet [Reference : Revised Companies' Schedule IV]	35,721	50,031	14,310
Other Items	Increase/(Decrease)	31-Mar-21	31-Mar-20
Expected Contributions for the next financial year	-	-	-
Weighted average duration (based on discounted cash flows) [Reference : Ind AS 19 para 120A (q)]	(0.83)	14.87	15.70
B. Leave Salary			
Table 1 : Amounts in Balance Sheet	Increase/(Decrease)	31-Mar-21	31-Mar-20
Defined Benefit Obligation (DBO)	80,241	15,55,866	14,75,625
Fair value of plan Assets	-	-	-
Funded Status - (Surplus)/Deficit	80,241	15,55,866	14,75,625
Unrecognized Past Service Cost / (Credit)	-	-	-
Unrecognised Asset due to Limit in Para 64(B)	-	-	-
Liability/(Asset) Recognised in the Balance Sheet [Reference : Ind AS19 para 120A (f)]	80,241	15,55,866	14,75,625
Table 2 : Amount Recognised in Statement of Profit & Loss	Increase/(Decrease)	31-Mar-21	31-Mar-20
Current Service Cost	55,968	2,62,858	2,06,890
Interest Cost	9,205	94,940	85,735

			(Amount in Rs.)
Expected Return on Plan Assets	-	-	-
Past Service Cost	-	-	-
Net Actuarial Losses/(Gains)	(3,51,218)	(1,81,644)	1,69,574
"(Gain)/Loss due to Settlements/Curtailments/Acquisitions/Divestitures"	-	-	-
Unrecognised Asset due to Limit in Para 59(B)	-	-	-
Total Expense/(Income) included in "Employee Benefit Expense"	(2,86,045)	1,76,154	4,62,199

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

Table 3 : Actual Return on Plan Assets	Increase/(Decrease)	31-Mar-21	31-Mar-20
Expected Return on Plan Assets	-	-	-
Actuarial Gains/(Losses) on Plan Assets	-	-	-
Actual Return on Plan Assets	-	-	-

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

Appendix A : Ind AS 19 Disclosures

Table 4 : Change in Present value of Benefit	Increase/(Decrease)	31-Mar-21	31-Mar-20
Obligation during the Period			
Defined Benefit Obligation, Beginning of Period	2,47,607	14,75,625	12,28,018
Current Service Cost	55,968	2,62,858	2,06,890
Interest Cost	9,205	94,940	85,735
Actual Plan Participants' Contributions	-	-	-
Actuarial (Gains)/Losses	(3,51,218)	(1,81,644)	1,69,574
Acquisition/Business Combination/Divestiture	-	-	-
Actual Benefits Paid	1,18,679	(95,913)	(2,14,592)
Past Service Cost	-	-	-
Changes in Foreign Currency Exchange Rates	-	-	-
Loss / (Gains) on Curtailments	-	-	-
Liabilities Extinguished on Settlements	-	-	-
Defined Benefit Obligation, End of Period	80,241	15,55,866	14,75,625

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

Table 5 : Change in Fair value of Plan Assets during the Period	Increase/(Decrease)	31-Mar-21	31-Mar-20
Fair value of Plan Assets, Beginning of Period	-	-	-
Expected Return on Plan Assets	-	-	-
Actual Enterprise's Contributions	-	-	-
Actual Plan Participants' Contributions	-	-	-
Actual Benefits Paid	-	-	-
Actuarial Gains/(Losses)	-	-	-
Acquisition/Business Combination/Divestiture	-	-	-
Changes in Foreign Currency Exchange Rates	-	-	-

Liabilities Extinguished on Settlements	-	-	-
Fair Value of Plan Assets, End of Period	-	-	-

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

Table 6 : Current / Non Current Benefit Obligation	Increase/(Decrease)	31-Mar-21	31-Mar-20
Current Liability	2,38,622	2,57,488	18,866
Non Current Liability	(1,58,381)	12,98,378	14,56,759
Liability/(Asset) Recognised in the Balance Sheet	80,241	15,55,866	14,75,625
[Reference : Revised Companies' Schedule IV]			
Table 7 : Other Items	Increase/(Decrease)	31-Mar-21	31-Mar-20
Expected Contributions for the next financial year		-	-
Decrement adjusted estimated tenure of Actuarial liability (years)	0.06	15.76	15.70
[Reference : Ind AS19 para 120A (q)]			

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

Wholly Owned Subsidiary Company

Farco Foods Private Limited

Associate Companies

Star Hotels Private Limited

Youngtronics India Private Limited

Key Managerial Personnel (KMP)

Mr. Saleem Iqbal Shervani, Managing Director

Mr. Tahir Hasan, Whole-time Director & C.F.O.

Mr. S. K. Shukla, Company Secretary

Executive Director

Mr. Sadiq Husain Siddiqui, Director (C. A.)

Non Executive Directors

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

Mr. A.N. Shervani, Director, Non Executive

Mr. S.M. Shervani, Director, Non Executive

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

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

Mr. Raju Verghese, Director, Independent, Non Executive

Ms. Aradhika Chopra, Woman Director, Independent, Non Executive

Relatives

Mrs. Salma Hasan

Mr. Mustafa Rashid Shervani

Mr. Yasser Niaz Hasan

Related parties with whom transactions have taken place

	KMP	Relative of KMP and Other Directors	Associate Companies	Subsidiary Company
Short Term Benefits Remuneration				
Current Year	22.21	59.02	-	-
(Previous Year)	(21.77)	(50.34)	-	-
Employee Benefit Expenses				
Current Year	0.58	1.20	-	-
(Previous Year)	(0.58)	(1.20)	-	-
Rent Paid				
Current Year	-	-	-	-
(Previous Year)	(1.05)	-	-	-
Rent Received				
Current Year	-	-	0.96	-
(Previous Year)	-	-	(0.96)	-

(Rs. In Lakhs)

	Sitting Fee			
	Current Year	7.75	-	-
	(Previous Year)	(6.25)	-	-
	Loans			
	Balance (Net of Provision)			
	Current Year	-	-	489.73
	(Previous Year)	-	-	(489.73)
	Selling Commission			
	Current Year (Excluding GST)	-	63.87	-
	(Previous Year)	-	(50.00)	-
	Purchase of Land			
	Current Year	-	-	-
	(Previous Year)	(92.05)	-	-
37	Balance of personal account of Debtors, Creditors, Unsecured Loans, Loans and advances , Security Deposits and other had not been confirmed and are subject to confirmation by the parties.			
38	Previous year's figures have been regrouped/reclassified and restated wherever necessary to correspond with the current year's classification/disclosure.			
39	The Company has not received the required information from Suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/ payable as required under the said Act have not been made.			
40	Contingent Liabilities and Commitments			

(Rs. In Lakhs)

S.No	Particulars	As At 31st, March, 2021	As At 31st, March, 2020
(a)	Guarantee given by Company in favour of Union Bank of India on behalf of Omnitel Technologies Private Limited for credit facility extended to them	34.23	133.93
(b)	In respect of Income Tax Demand for Assessment Year 2018-19 for which appeal is filed with Income Tax Department	2839.62	NIL
(c)	In respect of Income Tax Demand for Assessment Year 2010-11 for which appeal is filed with Income Tax Department	109.54	109.54

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

(Rs. In Lakhs)

Particulars	As per Ind AS 11 and AS 18	After application of Ind AS 115	After application of Ind AS 115
Revenue from Operations	5646.13	(2,893.93)	2752.20
Change in Inventory	(1,603.39)	2723.21	1119.82
Profit Before Tax	658.07	(170.72)	487.35
Tax Expense	(203.26)	-	(203.26)
Less: MAT Credit Entitlement	-	-	-
Deferred Tax	(12.76)	-	(12.76)
Profit after Tax	874.09	(170.72)	703.37
Basic earnings per share	32.12	(6.27)	25.85
Diluted earnings per share	32.12	(6.27)	25.85

- i) Under Ind AS 115, revenue from realty business is recognized upon delivery of units as against percentage of completion method followed under Ind AS 11.
- ii) Impact for the year: Profit after tax during the year is lower by Rs.170.72 Lakh, increase in inventory by Rs. 2723.21 Lakh and decrease in Revenue from Operations of Rs. 2893.93 Lakh.

42 The Government of India on September 20, 2019, vide the Taxation Law (Amendment) Ordinance 2019, inserted a new section 115BAA in the Income Tax Act, 1961 which provides domestic companies a non-reversible option to pay Corporate Tax at reduced rate effective, April 01, 2019, subject to certain conditions. The Company is continuing to provide for income tax at old rates based on the available unutilised minimum alternative tax credit.

43 **Events after the reporting period**

- a) After the reporting date, the following dividends are proposed by the Board of Directors. The following dividends have not been recognized as liabilities and there are no tax consequences.

Proposed Dividend for the year ended 31st March, 2021	(Rs in Lakh)
On Ordinary Shares @ Rs. 2.50 per share	67.52
On Deferred Shares @ Rs. 6.25 per share	0.50
Total	68.02

- b) Subsequent to the close of the year, the Income Tax Authority has completed the assessment for the assessment year 2018-19 on 16th April 2021. The Income Tax Authority has raised the demand of Income Tax amounting to Rs. 2839.62 Lakh for which the Company has filed the appeal before Commissioner (Appeal). Therefore, the Company has not made the provision against the total demand of Rs. 2839.62 Lakh, however the amount of demand has been disclosed as contingent liabilities.

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

We have audited the accompanying consolidated financial statements of **SHERVANI INDUSTRIAL SYNDICATE LIMITED** (hereinafter referred to as the "the Holding Company") its subsidiary and associates (the Holding Company, its subsidiary and associates together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2021, and the consolidated statement of Profit and Loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Company as at March 31, 2021, of consolidated Profit, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

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

Emphasis of Matter Paragraph

We draw attention to Note No. 36 of the financial statements which describes the following matters:

Due to lock down imposed by Government of Delhi on account of COVID-19, the financial statement of one associate - Star Hotels Private Limited could not be prepared and therefore not submitted to us to compile the company's share of profit/ loss in consolidated financial statements for the Quarter ended 31st March 2021. Our opinion is not modified in respect of this matter

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

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the

consolidated financial statements and our auditor's report thereon.

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

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

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

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the Companies included in the Group and of its associates responsible for overseeing the financial reporting process of the Group and of its

associates.

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

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

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

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

statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the one associate included in the consolidated financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervisions and performance of the audits carried out by him. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account

- maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary and associates, none of the directors of the Group, its subsidiary and associates incorporated in India is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure-C"
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates. (Refer Note 33 to the consolidated financial statements.)
- ii. The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its Subsidiary Companies and associate companies.

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

Rajendra Gupta
(Partner)
Membership Number: 073250
UDIN : 21073250AAAABX7526

Place : Kanpur
Date : June 25, 2021

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

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

In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended 31st March, 2020, we have audited the internal financial controls over financial reporting of **SHERVANI INDUSTRIAL SYNDICATE LIMITED** ("the Holding Company") and its subsidiaries which is incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

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

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 Holding Company, its subsidiaries and associates which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Rajendra Gupta
(Partner)
Membership Number: 073250
UDIN : 21073250AAAABX7526

Place : Kanpur
Date : June 25, 2021

CONSOLIDATED**BALANCE SHEET**

		As at 31 st March, 2021	As at 31 st March, 2020 (Rs. In Lakhs)
ASSETS	Note No.		
Non-Current Assets			
Property, Plant and Equipment	2	1,189.93	1,098.06
Biological Assets		43.46	23.09
Financial Assets			
Investments	3	271.78	373.41
Other Financial Assets	4	230.25	109.72
Goodwill on Consolidation (Net)		581.64	581.64
Total Non Current Assets		<u>2,317.06</u>	<u>2,185.92</u>
Current Assets			
Inventories	5	14,180.42	13,060.60
Financial Assets			
Investments	6	286.57	237.94
Trade Receivables	7	189.18	63.60
Cash and Cash Equivalents	8	370.85	219.67
Other Bank Balances	9	1,127.99	1,110.40
Other Financial Assets	10	15.44	15.11
Other Current Assets	11	51.80	120.00
Total Current Assets		<u>16,222.25</u>	<u>14,827.32</u>
TOTAL ASSETS		<u>18,539.31</u>	<u>17,013.24</u>

EQUITY AND LIABILITIES

Equity			
Equity Share Capital	12	272.10	272.10
Other Equity	13	13,018.89	13,041.76
Total Equity		<u>13,290.99</u>	<u>13,313.86</u>
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	14	196.29	142.37
Provisions	15	13.48	14.76
Deferred Tax Liabilities (Net)	16	53.92	64.46
Total Non Current Liability		<u>263.69</u>	<u>221.59</u>
Current Liabilities			
Financial Liabilities			
Borrowings	17	258.43	377.27
Trade Payables	18	97.92	116.03
Other Financial Liabilities	19	150.36	170.97
Other Current Liabilities	20	4,065.00	2,301.32
Provisions	21	412.92	512.20
Total Current Liability		<u>4,984.63</u>	<u>3,477.79</u>
TOTAL EQUITY AND LIABILITIES		<u>18,539.31</u>	<u>17,013.24</u>

Significant Accounting Policies & Notes
to Financial Statements

1-36

As per our report of even date attached
For Gupta Vaish & Co.
Chartered Accountants

Rajendra Gupta
Partner

S.K. Shukla
Company Secretary

Tahir Hasan
Whole Time Director &
Chief Financial Officer
DIN: 00074282

Mohd. Aslam Sayeed
Director
DIN: 06652348

Saleem I. Shervani
Managing Director
DIN: 00023909

Place : Prayagraj
Date : June 25, 2021

CONSOLIDATED**STATEMENT OF PROFIT & LOSS**

PARTICULARS	Note No.	Year ended	Year ended
		March 31, 2021	March 31, 2020
			(Rs. In Lakhs)
Revenue From Operations	22	3,189.43	9,232.74
Other Income	23	187.04	132.65
Total Revenue		<u>3,376.47</u>	<u>9,365.39</u>
EXPENSES			
Cost of Construction & Development Expenses	24	2,774.86	3,294.68
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	25	(1,119.82)	2,145.66
Employees Benefit Expenses	26	310.97	357.13
Finance Costs		39.94	31.44
Depreciation and Amortization Expense		74.46	70.80
Other Expenses	27	725.58	945.51
Total Expenses		<u>2,805.99</u>	<u>6,845.22</u>
Profit before tax and exceptional items		<u>570.48</u>	<u>2,520.17</u>
Exceptional Item	28	54.50	-
Profit before tax and share of profit in Associate Companies		<u>515.98</u>	<u>2,520.17</u>
Share of profit in Associate Companies		<u>(58.67)</u>	<u>(0.03)</u>
Profit before tax after share of profit in Associate Companies		<u>457.31</u>	<u>2,520.14</u>
Tax Expense	29		
Current Tax		95.32	443.70
Deffered Tax		(10.53)	3.08
Income Tax of Earlier Year		(293.76)	80.67
Profit for the year		<u>666.28</u>	<u>1,992.69</u>
Other Comprehensive Income			
Items that will be reclassified to profit or loss:			
Fair Value change on Equity Instrument through other comprehensive Income (Net of Tax)		83.87	(45.52)
Total comprehensive income for the year		<u>750.15</u>	<u>1,947.17</u>
Earnings per equity share (face value of Rs. 10/- each)			
Basic and Diluted	30	24.49	71.29
Significant Accounting Policies & Notes to Financial Statements	1-36		

As per our report of even date attached
For Gupta Vaish & Co.
Chartered Accountants

Rajendra Gupta
Partner

S.K. Shukla
Company Secretary

Tahir Hasan
Whole Time Director &
Chief Financial Officer
DIN: 00074282

Mohd. Aslam Sayeed
Director
DIN: 06652348

Saleem I. Shervani
Managing Director
DIN: 00023909

Place : Prayagraj
Date : June 25, 2021

CONSOLIDATED

Statement of changes in Equity for the year ended 31st March, 2021

(Rs. In Lakhs)

Share Capital	Balance at the beginning of the reporting period	Changes in Equity Share Capital during the year	Balance at the end of the reporting period
For the year ended 31 st March, 2020	313.60	(41.50)	272.10
For the year ended 31 st March, 2021	272.10	-	272.10

Changes in Equity

(Rs. In Lakhs)

	Reserve and Surplus						
	Capital Subsidy Reserve	General Reserve	Capital Redemption Reserve	Capital Reserve on Revaluation of Land	Retained Earnings	Other Comprehensive Income	Total
Balance at the beginning of the reporting period i.e. As on 31st March, 2019	19.27	5,046.86	34.42	8,800.03	1,059.53	22.67	14,982.77
Net Profit for the year	-	-	-	-	1,992.69	-	1,992.69
Movement in OCI during the year	-	-	-	-	-	(45.52)	(45.52)
Reclassified to Profit/(Loss) on disposal	-	-	-	-	-	(28.88)	(28.88)
Utilised for Buyback of Equity shares	-	(2,033.50)	-	-	-	-	(2,033.50)
Transfer to Capital Redemption Reserve	-	(41.50)	-	-	-	-	(41.50)
Transfer from General Reserve	-	-	41.50	-	-	-	41.50
Transfer to/from profit and loss statement	-	-	-	(1,825.81)	-	-	(1,825.81)
Balance at the end of the reporting period i.e. 31st March, 2020	19.27	2,971.86	75.92	6,974.22	3,052.22	(51.73)	13,041.76
Net Profit for the year	-	-	-	-	666.28	-	666.28
Movement in OCI during the year	-	-	-	-	-	83.87	83.88
Reclassified to Profit/(Loss) on disposal	-	-	-	-	-	2.79	2.78
Utilised for Buyback of Equity shares	-	-	-	-	-	-	-
Transfer to Capital Redemption Reserve	-	-	-	-	-	-	-
Transfer from General Reserve	-	-	-	-	-	-	-
Transfer to/from profit and loss statement	-	-	-	(719.33)	11.54	-	(707.79)
Final Dividend Paid during year	-	-	-	-	(68.02)	-	(68.02)
Balance at the end of the reporting period i.e. 31st March, 2021	19.27	2,972.00	75.92	6,254.89	3,662.02	34.93	13,018.89

CONSOLIDATED**CASH FLOW STATEMENT**

	2020-2021	2019-2020
		(Rs. In Lakhs)
A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) Before Tax	457.31	2,520.14
Adjustment For :		
Share of Loss (Profit) in Associate Companies	58.67	0.03
Exceptional item	54.50	-
Bad Debts and Sundry Balances Written off	1.21	29.91
Transfer from Capital Reserve on Revaluation of Land	(719.33)	(1,825.81)
Depreciation	74.46	70.80
Loss /(Profit) on Sale of Assets	6.65	10.10
Interest Expense	39.94	29.05
Interest Income	(85.68)	(114.86)
Dividend Received	-	(0.32)
(Profit)/Loss on Sale of Investments	<u>(23.99)</u>	<u>(11.12)</u>
Operating Profit before Working Capital Changes	<u>(136.26)</u>	<u>707.92</u>
Adjustment For :		
(Increase) / Decrease in Biological Assets	(20.36)	(17.26)
(Increase)/Decrease in Trade and other receivables	(58.59)	442.63
(Increase)/Decrease in Inventories	(1,119.82)	2,145.66
Increase/(Decrease) in Trade Payables	1,747.07	(4,110.93)
	<u>548.30</u>	<u>(1,539.90)</u>
Cash generated in operation	412.04	(831.98)
Add/(Deduct) For :		
Direct tax paid	96.71	(447.21)
Net Cash from operating activities (Total - A)	<u>508.75</u>	<u>(1,279.19)</u>
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(184.99)	(162.00)
Sale of Fixed Assets	12.00	76.27
Purchase of Current Investments (Net of Sales)	62.01	809.65
Movement in Fixed Deposits	(137.72)	1,694.93
Dividend Received	-	0.32
Interest received	85.35	154.11
Net Cash used in investing activities (Total - B)	<u>(163.35)</u>	<u>2,573.28</u>

CONSOLIDATED**CASH FLOW STATEMENT**

	2020-2021	2019-2020
		(Rs. In Lakhs)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Buy Back of Equity Shares	-	(2,075.00)
Loans & Borrowings	(85.86)	(128.26)
Interest Paid	(39.94)	(29.06)
Change in Other Financial Assets	(0.40)	3.59
Dividend Paid	(68.02)	-
Net Cash (used in)/from financing activities (Total – C)	<u>(194.22)</u>	<u>(2,228.73)</u>
Net Increase / (Decrease)in Cash and Cash Equivalents (A + B + C)	<u>151.18</u>	<u>(934.64)</u>
Add : Cash and Cash Equivalents	<u>219.67</u>	<u>1,154.31</u>
Closing Cash and Cash Equivalent	<u>370.85</u>	<u>219.67</u>

Significant Accounting Policies & Notes to Financial Statements 1-36

As per our report of even date attached
For Gupta Vaish & Co.
Chartered Accountants

Rajendra Gupta
Partner

S.K. Shukla
Company Secretary

Tahir Hasan
Whole Time Director &
Chief Financial Officer
DIN: 00074282

Mohd. Aslam Sayeed
Director
DIN: 06652348

Saleem I. Shervani
Managing Director
DIN: 00023909

Place : Prayagraj
Date : June 25, 2021

1. SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

A. CORPORATE INFORMATION

Shervani Industrial Syndicate Limited (the "Company") (CIN: L45202UP1948PLC001891). is a listed entity domiciled in India and limited by shares

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

SIGNIFICANT ACCOUNTING POLICIES

B. (i) BASIS OF PREPARATION AND PRESENTATION

The Consolidated Financial Statements have been prepared on the historical cost basis. The consolidated financial statements of the Group have been prepared to comply with the Indian Accounting Standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

The Company's consolidated financial statements are presented in Indian Rupees.

(ii) PRINCIPLES OF CONSOLIDATION

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

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

(i) The subsidiary company considered in the consolidated statements is

(a) Name of the Company	Country of Incorporation	Holding as on 31 st March, 2021
Farco Foods Pvt. Ltd.	India	100%

(ii) The associate companies considered in the consolidated statements are

Name of the Company	Country of Incorporation	Holding as on 31 st March, 2021
(a) Youngtronics India Pvt. Ltd.	India	46.33%
(b) Star Hotels Pvt. Ltd.	India	35.40%

Note : Due to severe Corona Pandemic situation in New Delhi and disruptions caused by lock down imposed by Government of Delhi on account of COVID-19, the financial statement of last quarter of financial year 2020-21 of one associate " Star Hotels Private Limited" (holding of 35.40% as on 31st March, 2021) could not be prepared and therefore not submitted to us to compile the company's share of profit/loss in consolidated financial results for that quarter.

(iii) OTHER SIGNIFICANT ACCOUNTING POLICIES

These are set out under "Significant Accounting Policies" as given in the Company's standalone financial statements.

CONSOLIDATED**NOTES**

(Rs. In Lakhs)

Notes on Financial Statement for the year ended 31st March, 2021

2. PROPERTY, PLANT AND EQUIPMENT

PARTICULARS	GROSS BLOCK							
	As at 1 st April, 2019	Additions	Deductions/ Adjustments	As at 31 st March, 2020	As at 1 st April, 2020	Additions	Deductions/ Adjustments	As at 31 st March, 2021
Freehold Land	247.20	-	-	247.20	247.20	-	-	247.20
Leasehold Land	0.05	-	-	0.05	0.05	-	-	0.05
Factory Building	64.04	4.99	-	69.03	69.03	225.26	-	294.29
Non-Factory Building	457.74	-	86.08	371.66	371.66	-	-	371.66
Plant And Equipments	209.90	18.58	-	228.48	228.48	9.56	-	238.04
Furniture And Fixture	18.88	6.49	-	25.37	25.37	-	-	25.37
Vehicles	426.42	68.65	19.40	475.67	475.67	92.00	23.84	543.83
Office Equipments	2.59	-	-	2.59	2.59	0.11	-	2.70
Computers	56.18	0.49	-	56.67	56.67	0.83	-	57.50
Total	1,483.00	99.20	105.48	1,476.72	1,476.72	327.76	23.84	1,780.64

PARTICULARS	DEPRECIATION AND AMORTIZATION							
	Upto 1 st April, 2019	For the Year	Deductions	Upto 31 st March, 2020	Upto 1 st April, 2020	For the Year	Deductions	Upto 31 st March, 2021
Freehold Land	-	-	-	-	-	-	-	-
Leasehold Land	-	-	-	-	-	-	-	-
Factory Building	39.94	2.29	-	42.23	42.23	4.37	-	46.60
Non-Factory Building	71.42	5.64	0.68	76.38	76.38	5.64	-	82.02
Plant And Equipments	155.82	7.15	-	162.97	162.97	5.88	-	168.85
Furniture And Fixture	17.24	0.67	-	17.91	17.91	0.65	-	18.56
Vehicles	132.18	53.71	18.43	167.46	167.46	56.63	5.19	218.90
Office Equipments	1.68	0.28	-	1.96	1.96	0.26	-	2.22
Computers	51.47	1.06	-	52.53	52.53	1.03	-	53.56
Total	469.75	70.80	19.11	521.44	521.44	74.46	5.19	590.71

PARTICULARS	NET BLOCK	
	As at 31 st March, 2021	As at 31 st March, 2020
Freehold Land	247.20	247.20
Leasehold Land	0.05	0.05
Factory Building	247.69	26.80
Non-Factory Building	289.64	295.28
Plant And Equipments	69.19	65.51
Furniture And Fixture	6.81	7.46
Vehicles	324.93	308.21
Office Equipments	0.48	0.63
Computers	3.94	4.14
Total	1,189.93	955.28
ADD: Capital Work in Progress	-	142.78
Total	1,189.93	1,098.06

CONSOLIDATED**NOTES**

	As at 31st March, 2021	As at 31st March, 2020 (Rs. In Lakhs)
3 Non Current Investments		
In Associate Companies		
Star Hotels Private Limited (2265750 equity shares of Rs. 10/- each)	271.73	330.40
460000, 6% Non-Cumulative Redeemable Preference shares of Rs. 10/- each of Youngtronics India Private Ltd.	-	42.96
Total (A)	<u>271.73</u>	<u>373.36</u>
Other Investment		
Investment at cost		
Investment in equity instruments (Unquoted) 500 shares of Super Bajar Comparative Stores Ltd. of Rs. 10/- each	0.05	0.05
Total (B)	<u>0.05</u>	<u>0.05</u>
Total (A+B)	<u>271.78</u>	<u>373.41</u>
Aggregate value of Unquoted Investment	<u>271.78</u>	<u>373.41</u>
Amount of Investment measured at Cost	<u>271.78</u>	<u>373.41</u>
4 Other Non current Financial Assets		
Earmarked Balance with Banks	99.26	98.86
Fixed Deposit (Pledged with Govt. Authority)	<u>130.99</u>	<u>10.86</u>
Total	<u>230.25</u>	<u>109.72</u>
CURRENT ASSETS		
5 Inventories		
Work In Progress (Real Estate)	7,770.49	5,924.23
Stock-in-trade (Land and Expenses thereon)	<u>6,409.93</u>	<u>7,136.37</u>
Total	<u>14,180.42</u>	<u>13,060.60</u>
7 Current Investment		
Investment in Equity Instruments (Quoted) Measured at FVOCI		
Unit		
1000 Equity Shares of Reliance Infra Limited	0.29	0.10
(1000) of Rs.10/- Each		
10000 Equity Shares of Cerebra Integrated Technologies	4.37	1.79
(10000) of Rs.10/- Each		
- Equity Shares of HDFC Bank Ltd.	-	2.19
(255) of Rs.10/- Each		
- Equity Shares of Housing Development Finance Corp. Ltd	-	1.66
(102) of Rs.10/- Each		
- Equity Shares of ICICI Bank Ltd	-	1.23
(382) of Rs.10/- Each		
- Equity Shares of Infosys Limited	-	1.36
(212) of Rs.10/- Each		
- Equity Shares of ITC Limited	-	0.87
(508) of Rs.10/- Each		
- Equity Shares of Kotak Mahindra Bank Limited	-	1.02
(79) of Rs.10/- Each		

CONSOLIDATED**NOTES**

	As at 31st March, 2021	As at 31st March, 2020
		(Rs. In Lakhs)
- Equity Shares of Larsen & Toubro Limited (74) of Rs.10/- Each	-	0.60
- Equity Shares of Reliance Industries Limited (189) of Rs.10/- Each	-	2.09
- Equity Shares of TCS Limited (62) of Rs.10/- Each	-	1.13
- Equity Shares of Hindustan Unilever Ltd (43) of Rs.10/- Each	-	0.98
Total value of Quoted Investment	4.66	15.02
Units Investment in Mutual Fund (Unquoted)		
- Union Capital Protection Oriented Fund -Series 8-(Growth) (150000) of Rs.10/- Each	-	15.52
1999990 SBI Long term Advantage Fund Series V- Growth (1999990) of Rs.10/- Each	241.36	160.80
- Union Arbitrage Fund Regular Plan - Growth (99990) of Rs.10/- Each	-	10.56
- Union Focused Fund- Regular Growth Plan (149990) of Rs.10/- Each	-	12.72
- Union Large & Midcap Fund - Regular Growth (99990) of Rs.10/- Each	-	7.56
49997.5 Union Medium Duration Fund	5.08	-
-		
99985.001 Union Hybrid Equity Fund	10.46	-
-		
46239.322 SBI Savings Fund	15.05	-
-		
71520.029 Union Balance Advantage Fund	9.96	-
-		
- Union Mid Cap Fund (14990) of Rs.10/- Each	-	15.76
Total value of Unquoted Investment	281.91	222.92
Total Aggregate Value of Investment Measured at FVOCI	286.57	237.94
Investment measured at FVOCI	286.57	237.94
Total Value of Unquoted Investment	281.91	222.92
Aggregate amount of Impairment in value of Investment	83.87	45.52

CONSOLIDATED**NOTES**

	As at 31st March, 2021	As at 31st March, 2020
		(Rs. In Lakhs)
7 Trade Receivables		
Trade Receivables Considered good, Unsecured	189.18	63.60
Total	<u>189.18</u>	<u>63.60</u>
8 Cash and Cash Equivalent		
Balances With Banks		
In Current Account	360.06	137.33
In Fixed Deposit (Pledged)	4.31	78.93
Cash on Hand	6.48	3.41
Total	<u>370.85</u>	<u>219.67</u>
9 Other Bank Balances		
In Fixed Deposit (Pledged) against Overdraft facilities	1,127.99	1,110.40
Total	<u>1,127.99</u>	<u>1,110.40</u>
10 Other Financial Assets		
Interest accrued on FDR with Bank	15.44	15.11
Total	<u>15.44</u>	<u>15.11</u>
11 Other Current Assets		
Security Deposit	15.52	11.98
Prepaid Expenses	5.05	4.99
ITC Receivable	0.14	-
Advance Received in Cash or Kind		
Advance to Others	31.09	103.03
Total	<u>51.80</u>	<u>120.00</u>
EQUITY		
12 Share Capital		
Authorised:		
628000 Equity Shares of Rs. 10/- each	628.00	628.00
20000 cumulative redeemable Preference Shares of Rs. 100/- each	20.00	20.00
8,000 Deferred Shares of Rs. 25/- each	2.00	2.00
Total	<u>650.00</u>	<u>650.00</u>
Issued, Subscribed & Paid Up		
2701018 (Previous year: 2701018) Equity Shares of Rs. 10/- each fully paid up	270.10	270.10
8000 Deferred Shares of Rs. 25/- each fully paid up	2.00	2.00
Total	<u>272.10</u>	<u>272.10</u>
The Reconciliation of number of Shares outstanding at the beginning and end of the year:		
Particulars		
At the beginning of the year	27.09	31.24
Changes during the year (Shares bought back during the year)	-	(4.15)
At the end of the year	<u>27.09</u>	<u>27.09</u>

CONSOLIDATED**NOTES**

	As at 31st March, 2021	As at 31st March, 2020 (Rs. In Lakhs)
13 Other Equity		
Capital Subsidy Reserve		
Balance at the beginning of the year	19.27	19.27
Balance at the end of the year	<u>19.27</u>	<u>19.27</u>
General Reserve		
Balance at the beginning of the year	2,971.86	5,046.86
Utilised for Buyback of Equity Shares	-	(2,033.50)
Transfer to Capital Redemption Reserve	-	(41.50)
Balance at the end of the year	<u>2,971.86</u>	<u>2,971.86</u>
Capital Redemption Reserve		
Balance at the beginning of the year	75.92	34.42
Transfer from General Reserve	-	41.50
Balance at the end of the year	<u>75.92</u>	<u>75.92</u>
Capital Reserve on Revaluation on Land		
Balance at the beginning of the year	6,974.22	8,800.03
Less:- Transfer to profit and loss statement	(719.32)	(1,825.81)
Balance at the end of the year	<u>6,254.90</u>	<u>6,974.22</u>
Retained Earnings		
Balance at the beginning of the year	3,052.22	1,059.53
Add:- Profit as per Profit & Loss Statement	666.28	1,992.69
	3,718.50	3,052.22
Add: Adjustment on Consolidation (Associate Loss)	11.54	-
Final Dividend Paid	68.02	-
Balance at the end of the year	<u>3,662.02</u>	<u>3,052.22</u>
Other Comprehensive Income(OCI)		
As per last balance sheet	(51.73)	22.67
Add:- Movement in OCI(Net of Tax) during the year	83.87	(45.52)
Less: Investment sold during the year	2.78	(28.88)
Closing Balance at the end of the year	<u>34.92</u>	<u>(51.73)</u>
Total	<u>13,018.89</u>	<u>13,041.76</u>
Non Current Liabilities		
14 Borrowings		
Secured Loan		
Vehicle Loans (Secured by hypothecation of vehicle)	196.29	142.37
Total	<u>196.29</u>	<u>142.37</u>
15 Provisions		
Provision for Employees Benefit	13.48	14.76
Total	<u>13.48</u>	<u>14.76</u>
Current Liabilities		
16 Deferred Tax Liabilities (Net)		
Deferred Tax Liabilities		
Related to Property, Plant and Equipment	63.98	64.46
Deferred Tax Assets		
Under Section 43B	10.06	-
Total	<u>53.92</u>	<u>64.46</u>

CONSOLIDATED**NOTES**

	As at 31st March, 2021	As at 31st March, 2020 (Rs. In Lakhs)
17 Borrowings		
Secured Loan From Banks		
Overdraft from Union Bank of India (Secured by hypothecation of Fixed Deposit)	12.76	377.27
State Bank of India CC A/c (Secured by pledge of Company's Land at Sulem Sarai, Prayagraj)	245.67	-
Total	<u>258.43</u>	<u>377.27</u>
18 Trade Payables		
Dues towards Others	97.92	116.03
Total	<u>97.92</u>	<u>116.03</u>
19 Other Financial Liabilities		
Current Maturity of Long Term Debt	51.10	72.04
Unpaid Dividend	99.26	98.70
Temporary Book Overdraft	-	0.23
Total	<u>150.36</u>	<u>170.97</u>
20 Other Current Liabilities		
Advance from Customer	3,773.58	1,998.03
Security Deposits	13.15	13.56
GST Payable	73.99	5.61
Other Payables*	204.28	284.12
Total	<u>4,065.00</u>	<u>2,301.32</u>
*Other paybles includes statutory liability, employee liability etc.		
21 Provisions		
Current Tax Liability (Net)	410.34	512.06
Provision For Employees Benefit	2.58	0.14
Total	<u>412.92</u>	<u>512.20</u>
22 Revenue from Operations	Year ended March 31, 2021	Year ended March 31, 2020
Sale of Plot & Flat (Including transfer from revaluation reserve Rs.719.33 Previous year Rs.1825.81)	2,752.20	8,736.49
Sale of Product(Job Charges)	437.23	496.25
Total	<u>3,189.43</u>	<u>9,232.74</u>
23 Other Income		
Interest Income	85.69	114.86
Interest on Income Tax Refund	26.26	-
Liability Written Off	14.84	-
Dividend Income	-	0.32
Other Non-Operating Income		
Rent	8.29	1.08
Provision of Liability No Longer Required	0.66	2.79
Profit on Sale of Investments (Net)	24.40	11.13
Dues from Customer Received	21.70	-
Miscellaneous Receipts	5.20	2.47
Total	<u>187.04</u>	<u>132.65</u>
24 Cost of Construction and Development Expenses	2,774.86	3,294.68
Total	<u>2,774.86</u>	<u>3,294.68</u>

CONSOLIDATED**NOTES**

	Year ended March 31, 2021	Year ended March 31, 2020
		(Rs. In Lakhs)
25 Change In Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade Inventories (at close)		
Stock in Trade(Real Estate)	6,409.93	7,136.37
Work-in-Progress (restated)	<u>7,770.49</u>	<u>5,924.23</u>
	<u>14,180.42</u>	<u>13,060.60</u>
Inventories(at commencement)		
Finished Goods	-	3.21
Stock in Trade(Real Estate)	7,136.37	8,988.14
Work-in-Progress (Restated)	<u>5,924.23</u>	<u>6,214.91</u>
	<u>13,060.60</u>	<u>15,206.26</u>
Total	<u>(1,119.82)</u>	<u>2,145.66</u>
26 Employees Benefit Expense		
Salaries and Wages	292.41	339.27
Contribution to Provident and Other Funds	11.79	11.55
Staff Welfare Expenses	<u>6.77</u>	<u>6.31</u>
Total	<u>310.97</u>	<u>357.13</u>
27 Other Expenses		
Establishment Expenses		
Rent	12.10	6.54
Project Maintenance	109.76	157.12
Power & Fuel	167.61	184.40
Repairs Building	5.47	20.51
Repairs to Plant & Machinery	10.86	12.08
Other Manufacturing Expenses	4.21	4.17
Insurance	7.39	7.23
Rates and Taxes	1.51	2.24
Vehicle Maintenance	19.09	19.69
Professional Charges	79.88	96.91
Travelling and Conveyance Expenses	2.20	6.18
Safety & Protection	-	-
Payment to the Auditors		
As Auditor	2.07	2.06
For Other Services	0.59	0.94
Directors' Sitting Fee	9.15	7.85
GST Paid (on Reverse Charge)	2.51	-
Loss on Sale of Assets (Net)	6.65	10.10
(Profit)/Loss on sale of Share	0.42	-
CSR Expenses	69.50	48.00
Share Buyback Expenses	-	24.20
Miscellaneous Expenses	<u>139.25</u>	<u>179.74</u>
Total (A)	<u>650.22</u>	<u>789.94</u>
Selling and Distribution Expenses		
Brokerage	<u>75.36</u>	<u>155.55</u>
Total (B)	<u>75.36</u>	<u>155.55</u>
Total (A+B)	<u>725.58</u>	<u>945.51</u>
28. Exceptional Items		
Provision for Investment	<u>54.50</u>	<u>-</u>
	<u>54.50</u>	<u>-</u>

CONSOLIDATED

NOTES

	Year ended March 31, 2021	Year ended March 31, 2020	
29 Tax Expenses	2020-21	2019-20	
Amount recognised in Profit and Loss			
Current Tax			
Income tax for the year	95.32	443.70	
Adjustment related to previous year -Net	<u>(293.76)</u>	<u>80.67</u>	
Total Current Tax (A)	<u>(198.44)</u>	<u>524.37</u>	
Deferred Tax			
Deferred Tax for the year			
Adjustment related to previous year -Net	<u>(10.53)</u>	<u>(3.08)</u>	
Total Deferred Tax (B)	<u>(10.53)</u>	<u>(3.08)</u>	
Total Tax Expense (A+B)	<u>(208.97)</u>	<u>527.45</u>	
	2020-21	2019-20	
30 Earning Per Share			
Net profit available for equity shareholders (Numerator used for calculation)	666.28	1992.69	
Weighted Average No. of equity shares (in Lakh) (Used as Denominator for calculating EPS)	27.21	27.95	
Basic and Diluted Earning per share of Rs. 10/-	24.49	71.29	
31 Previous year's figures have been regrouped/reclassified and restated wherever necessary to correspond with the current year's classification/ disclosure.			
32 Related Party Disclosures as required under Ind AS-24 are given below			
Wholly Owned Subsidiary Company			
Farco Foods Private Limited			
Associate Companies			
Star Hotels Private Limited			
Youngtronics India Private Limited			
Key Managerial Personnel (KMP)			
Mr. Saleem Iqbal Shervani, Managing Director			
Mr. Tahir Hasan, Whole-time Director & C.F.O.			
Mr. S. K. Shukla, Company Secretary			
Executive Director			
Mr. Sadiq Husain Siddiqui, Director (C. A.)			
Non Executive Directors			
Dr. A.P. Singh, Chairman, Independent, Non Executive			
Mr. A.N. Shervani, Director, Non Executive			
Mr. S.M. Shervani, Director, Non Executive			
Mr. G.S. Chaturvedi, Director, Independent, Non Executive			
Mr. Mohd. Aslam Sayeed, Director, Independent, Non Executive			
Mr. Raju Verghese, Director, Independent, Non Executive			
Ms. Aradhika Chopra, Woman Director, Independent, Non Executive			
Mr. Syed Zafar Subhan (Non Executive Director), Farco Foods Private Limited			
Mr. T. Nadesan (Non Executive Director), Farco Foods Private Limited			
Mr. Sajid Husain Siddiqui (Non Executive Director), Farco Foods Private Limited			
Relatives			
Mrs. Salma Hasan			
Mr. Mustafa Rashid Shervani			
Mr. Yasser Niaz Hasan			
Mrs. Iram Ibrahim Shervani			
Related Parties with whom transactions have taken place	KMP	Relative of KMP and Other Directors	Associate Companies
Short Term Employee Benefits (Remuneration)			
Current Year	22.21	70.53	-
(Previous Year)	(21.77)	(50.34)	-

(Rs. In Lakhs)

Employees Benefit Expenses			
Current Year	0.58	1.20	-
(Previous Year)	(0.58)	(1.20)	-
Rent Paid			
Current Year	-	-	-
(Previous Year)	(1.05)	-	-
Rent Received			
Current Year	-	-	0.96
(Previous Year)	-	-	(0.96)
Sitting Fee			
Current Year	9.15	-	-
(Previous Year)	(7.85)	-	-
Loans			
Balance(Net of Provision) at the beginning and at the end of the year			
Current Year	-	-	-
(Previous Year)	-	-	-
Selling Commission			
Current Year (Excluding GST)	-	63.87	-
(Previous Year)	-	(50.00)	-
Purchase of Land			
Current Year	-	-	-
(Previous Year)	(92.05)	-	-

33 Contingent Liabilities and Commitments

(Rs. In Lakhs)

S.No	Particulars	As At 31st, March, 2021	As At 31st, March, 2020
(a)	Guarantee given by Company in favour of Union Bank of India on behalf of Omnitel Technologies Private Limited for credit facility extended to them	34.23	133.93
(b)	In respect of Income Tax Demand for Assessment Year 2018-19 for which appeal is filed with Income Tax Department	2839.62	NIL
(c)	In respect of Income Tax Demand for Assessment Year 2010-11 for which appeal is filed with Income Tax Department	109.54	109.54

34. Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises on consolidated statements.

Name of Enterprise	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss	
	As % of consolidated Net Assets	Amount (Rs. in Lakh)	As % of consolidated Profit or Loss	Amount (Rs. in Lakh)
Parent				
Shervani Industrial Syndicate Limited	102.00%	13,546.80	97.00%	787.24
Subsidiary				
Farco Foods Private Limited	(2.00%)	(255.81)	2.88%	21.58
Associates				
Star Hotels Private Limited	-	-	(7.82%)	(58.67)
Youngtronic India Private Limited	-	-	-	-
TOTAL	100.00%	13,290.99	100.00%	750.15

35 Salient Features of Financial Statements of Subsidiary as per the Companies Act, 2013

(Rs. In Lakhs)

Sr. No.	Name of Subsidiary Company	Reporting Currency	Share Capital	Other Equity	Total Assets	Total Liabilities	Investments	Turnover / Total Income	Profit Before taxation	Provision for Taxation (Including Deferred Tax)	Profit After Taxation	Proposed Dividend	% of Shareholding
1	Farco Foods Private Limited	INR	90	(255.81)	663.90	829.71	-	460.60	28.64	7.05	21.59	-	100%

36 Statement pursuant to section 129(3) of the Companies Act 2013 related to Associate Companies

Sr No	Name of Associates	Shares of Associates held by the Company on year end					Profit/loss for the year			
		Latest Audited Balance Sheet date	No. of shares	Amount of investment in Associates (Rs. in Lakh)	Extend of Holding %	Net Worth attributable to shareholding as per latest Balance Sheet (Rs. in Lakh)	Considered in consolidation (Rs. in Lakh)	Not considered in consolidation	Description of how there is significant influence	Reason why the associates is not consolidated
1	Star Hotels Private Limited	31.03.2020	2,265,750	881.43	35.40%	-	(58.67) *Please refer footnote	NIL	35.40% Shares Held	*Please refer footnote
2	Youngtronic India Private Limited	31.03.2021	85,000	NIL	46.33%	(16.83)	-	NIL	46.33% Shares Held	-

*Due to Corona Pandemic situation in New Delhi and disruptions caused by lockdown imposed by Govt. of Delhi on account of Covid, the financial statement of Star Hotels Private Limited for the last quarter of financial year ended on 31st March, 2021 could not be prepared and therefore not submitted to us to compile the Company's share of profit/loss in Consolidated Financial Statement.

**	Amount of investment in Associate	(Rs. in Lakh)
	Youngtronics India Private Limited	8.50
	Less : Provision For Diminution In Value of Investment	<u>(8.50)</u>
		<u>-</u>

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