



ELITECON INTERNATIONAL LIMITED

(BSE LISTED COMPANY)
CIN: L16000DL1987PLC396234

September 04, 2024

The Listing Department BSE Limited Phirozee Jeejeebhoy Towers Dalal Street, 25th Floor Mumbai – 400 001	The Calcutta Stock Exchange Ltd. 7, Lyons Range Kolkata -700 001
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Name of Scrip: Elitecon International Limited
Scrip Code: 539533

Dear Sir/Madam,

Sub: Submission of Annual Report for the Financial Year 2023-24.

In terms of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a copy of Annual Report of the Company for the financial year ended on March 31, 2024 is enclosed. The same is also available on the website of the Company at www.eliteconinternational.com as required under Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

You are requested to kindly take note of this.

Thanking you,
Yours faithfully,

For ELITECON INTERNATIONAL LIMITED

VIPIN SHARMA

Digitally signed by
VIPIN SHARMA
Date: 2024.09.04
16:34:16 +05'30'

(VIPIN SHARMA)
Managing Director
DIN: 01739519

Reg. Off: 152, Shivani Apartments, Plot No.63, I.P. Extension, Patparganj, East Delhi, Delhi-110092,
Nashik Works: GAT No. 353/2, Mauje Talegaon, Dindori, Nashik, Maharashtra-422004
Ph.: +91-9871761020

E-mail: admin@eliteconinternational.com, Web.: www.eliteconinternational.com

ELITECON INTERNATIONAL LIMITED

37th ANNUAL REPORT 2023-24

**REGISTERED OFFICE: 152, Shivani Apartments, Plot No. 63, I.P. Extention,
Patparganj, Delhi -110092,**

**CORPORATE OFFICE: 152, Shivani Apartments, Plot No. 63, I.P. Extention,
Patparganj, Delhi -110092,**

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Board of Directors

Vipin Sharma

Managing Director

Dayanand Ray

Executive Director

Monam Kapoor

Non-Executive Independent Director

Ish Sadana

Non-Executive Independent Director

Preeti

Non-Executive Independent Director

Auditors

M/s V.N. Purohit & Co., Chartered Accountants

214, New Delhi House, 2nd Floor,

27, Barakhamba Road,

New Delhi – 110001

Phone: 011-43596011

Email: delhi@vnp.in

Chief Financial Officer

Chetna

Company Secretary & Compliance Officer

Azmal Raqueeb Khan

Registrar & Share Transfer Agents

Bigshare Services Pvt. Ltd.

Registered Office: E-3 Ansa Industrial Estate Saki Vihar Road Sakinaka Mumbai MH 400072

Corporate Office: Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093

Phone: 022-62638200

Email Id: lawoo@bigshareonline.com.

Website: www.bigshareonline.com

Registered Office of the Company

152, Shivani Apartments, Plot No. 63, IP Extension, Patparganj, Delhi -110092, Phone: 91-9871761020

Email ID: admin@eliteconinternational.com,

Website: www.eliteconinternational.com

CIN: L16000DL1987PLC396234

ISIN: INE669R01018

BSE Scrip Code: 539533

Bankers

Axis Bank Limited

HDFC Bank Limited

Kotak Mahindra Bank Limited

State Bank of India

ELITECON INTERNATIONAL LIMITED

Regd. Off: 152, Shivani Apartments, Plot No. 63, IP Extention, Patparganj, Delhi -110092

CIN: L16000DL1987PLC396234

Phone:- 91-9871761020

Email Id: admin@eliteconinternational.com Website: www.eliteconinternational.com

NOTICE

Notice is hereby given that 37th Annual General Meeting of the Members of Elitecon International Limited will be held at the registered office of the Company at 152, Shivani Apartments, Plot No. 63, IP Extention, Patparganj, Delhi -110092 on Saturday, September 28, 2024 at 04:00 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2024, including the Audited Balance Sheet as at 31st March, 2024, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date and the reports of Board of Directors and Auditors thereon.
2. To consider appointment of a director in place of Mr. Dayanand Ray (DIN: 07478810), Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment.

By Order of the Board of Directors

For **Elitecon International Limited**

Sd/-

(AZMAL RAQUEEB KHAN)

Company Secretary & Compliance Officer

Place: New Delhi

Date: September 04, 2024

Notes:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. 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 shareholders.
3. The Register of Member and Transfer Books will remain closed from the September 22, 2024 to the September 28, 2024 (both days inclusive) for the purpose of Annual General Meeting.
4. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. In case shares are jointly held, this form should be completed and signed (as per the specimen signature registered with the Company) by the first named member and in his/her absence, by the next named member.
6. Members/Proxies are requested to bring their attendance slips duly filed in along with their copies of Annual Report to the Annual general Meeting.
7. Copy of relevant documents referred to in this notice are open for inspection at the registered office of the Company on all working days between 11.00 A.M to 2.00 P.M, except holidays the date of declaration of the results of e-voting.
8. Any member desirous of getting any information on the accounts of the Company is required to forward his/her queries at least 7 days prior to the meeting so that the required information can be made available at the meeting.
9. Members are requested to intimate change in their address if any immediately to Bigshare Services Private Limited, the Company's Registrar and Share Transfer Agents, at their office at Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093 Phone: 022-62638200 Email Id: lawoo@bigshareonline.com.
10. Members holding shares in physical form in the same set of names under different folios are requested to apply for consolidation of such folios along with relevant Share Certificates to M/s. Bigshare Services Private Limited, Registrar and Share Transfer Agents of the Company, at their address given above.
11. Pursuant to SEBI Circular, the Shareholders holding shares in physical form are requested to submit self-attested copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.
12. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
13. For members who have not registered their email address, physical copies of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of evoting along with Attendance Slip and Proxy Form is being sent in the permitted mode. Members may also note that Notice of Annual General Meeting and Annual Report for 2023-2024 will be available on Company's website <http://www.eliteconinternational.com/> for their download.
14. Members who have not registered their email addresses so far are requested to register their email address for receiving all communications including annual report, notices, circulars etc. from the company electronically.
15. At present the Company's equity shares are listed on the BSE Limited and the Calcutta Stock Exchange Limited ("CSE") (Currently suspended from CSE). Members are informed that the scripts of the Company have been activated

both in Central Depositories Services Limited (CDSL) and National Securities & Depository Limited (NSDL) and may be dematerialized under the ISIN- INE669R01018. The custodian fees for the current financial year 2023-2024 have been paid to all the aforesaid Depositories.

16. For any assistance or information about shares etc. members may contact the Company.

17. VOTING THROUGH ELECTRONIC MEANS

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e- Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by Central Depository Services (India) Limited (CDSL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

III. The process and manner for remote e-voting are as under:

- i) The remote e-voting period commences on September 25, 2024 at 9:00 a.m. and ends on September 27, 2024 at 5:00 p.m. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 21, 2024, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
- iii) Click on “Shareholders” tab.
- iv) Now Enter your User ID
For CDSL: 16 digits beneficiary ID,
For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- v) Next enter the Image Verification as displayed and Click on Login.
- vi) 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.
- vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.</p>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</p>

- viii) After entering these details appropriately, click on "SUBMIT" tab.
- ix) Members holding shares in physical form will then reach directly 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.
- x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi) Click on the EVSN for the relevant Elitecon International Limited on which you choose to vote.
- xii) 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.
- xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv) 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.
- xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- xviii) Note for Institutional Shareholders & Custodians :
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://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 they have to create a compliance user which 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.
- xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or contact them at 1800 200 5533.
- xx) Shareholders can also cast their vote using CDSL’s mobile app m-voting available for android based mobiles. The m-voting app can be downloaded from Google play store, iPhone, and Windows phone users can download the app from the App store and the Windows phone store respectively on or after September 25, 2024, 9.00 a.m. to September 27, 2024, 5.00 p.m. Please follow the instructions as prompted by the mobile app while voting on your mobile.
18. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at cs.goelaakash@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com on or before September 27, 2024, upto 5:00 p.m. without which the vote shall not be treated as valid.
19. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of September 21, 2024. A person who is not a member as on Cut Off date should treat this notice for information purpose only.
20. The shareholders shall have one vote per equity share held by them as on the cut-off date of September 21, 2024. The facility of e-voting would be provided once for every folio/client id, irrespective of the number of joint holders.
21. Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 21, 2024 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
22. Notice of the AGM along with attendance slip, proxy form along with the process, instructions and the manner of conducting e-voting is being sent electronically to all the members whose e-mail IDs are registered with the Company / Depository Participant(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of the same are being sent through the permitted mode.
23. Investors, who became members of the Company subsequent to the dispatch of the Notice / Email and hold the shares as on the cut-off date i.e. September 21, 2024 are requested to send the written/email communication to the Company at admin@eliteconinternational.com by mentioning their Folio No./DP ID and Client ID to obtain the Login-ID and Password for e-voting.
24. Mr. Aakash Goel, Proprietor of G Aakash & Associates, Company Secretaries, (C.P No.21629) has been appointed

as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner. The Scrutinizer will submit, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall counter sign the same and declare the result of the voting forthwith.

25. Since e-voting facility is provided to the Members pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, voting by show of hands are not allowed.
26. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
27. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website <http://www.eliteconinternational.com/> and on the website of CDSL. The same will be communicated to the stock exchanges where the company shares are listed viz. BSE Limited and The Calcutta Stock Exchange Limited.

By Order of the Board of Directors

For **Elitecon International Limited**

Sd/-

(AZMAL RAQUEEB KHAN)

Company Secretary & Compliance Officer

Date: September 04, 2024

Place: New Delhi

ELITECON INTERNATIONAL LIMITED

Regd. Off: 152, Shivani Apartments, Plot No. 63, I.P. Extention, Patparganj, Delhi -110092,

CIN: L16000DL1987PLC396234

Phone:- 91-9871761020

Email Id: admin@eliteconinternational.com Website: www.eliteconinternational.com

(Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company.)

DP Id*		Client Id*	
Regd. Folio No.		No. of Shares	

*Applicable for shares held in electronic form

Name(s) and address of the shareholder / Proxy in full: _____

I/we hereby record my/our presence at the 37th Annual General Meeting of the Company being held on Monday, the 28th Day of September, 2024 at 04.00 p.m. at the Registered Office 152, Shivani Apartments, Plot No. 63, I.P. Extention, Patparganj, Delhi -110092

Please (√) in the box

MEMBER

PROXY

Signature of Shareholder / Proxy

ELITECON INTERNATIONAL LIMITED

Regd. Off: 152, Shivani Apartments, Plot No. 63, I.P. Extention, Patparganj, Delhi -110092

CIN: L16000DL1987PLC396234

Phone:- 91-9871761020

Email Id: admin@eliteconinternational.com Website: www.eliteconinternational.com

Form No. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies Management and Administration) Rules, 2014]

CIN: L16000DL1987PLC396234

Name of the Company: Elitecon International Limited

Registered Office: 152, Shivani Apartments, Plot No. 63, I.P. Extention, Patparganj, Delhi -110092

Name of the member(s)	
Registered address:	
E-mail Id:	
Folio No. / Client Id	
DP ID:	

I/We, being the holder(s) ofshares of the above named Company, hereby appoint

1. Name: _____

Address: _____

E-mail Id: _____

Signature: _____ or failing him/her

2. Name: _____

Address:

E-mail Id:

Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 37th Annual General Meeting of the Company, to be held on 28th day of September, 2024 at 04.00 p.m. at the Registered Office of the Company at 152, Shivani Apartments, Plot No. 63, I.P. Extention, Patparganj, Delhi -110092, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
Ordinary Business:	
1.	To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31 st March, 2024, including the Audited Balance Sheet as at 31 st March, 2024, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date and the reports of Board of Directors and Auditors thereon.
2.	To consider appointment of a director in place of Mr. Dayanand Ray (DIN: 07478810), Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment.

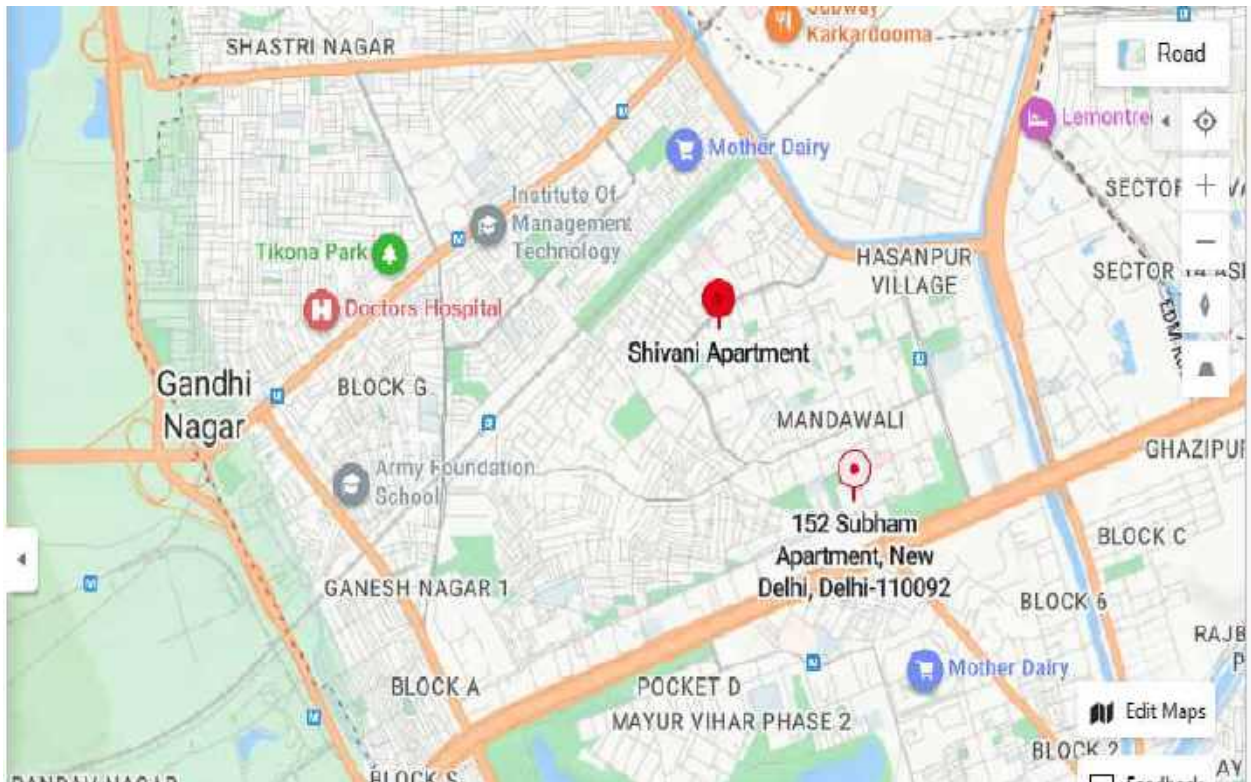
Signed this day of 2024

<p>Affix Revenue Stamp</p>

Signature of shareholder(s) Signature of Proxy holder(s) **Notes:**

1. This form of proxy in order to be effective -should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. Any alteration or correction made to this Proxy form must be initialled by the signatory / signatories.

Route Map for AGM Venue: 152, Shivani Apartments, Plot No.63, I.P. Extension, Patparganj, Delhi-110092



DIRECTORS' REPORT

To

The Members

Your Directors have pleasure in presenting their 37th Annual Report together with the Audited Financial Statements of the Company for the Year ended March 31, 2024.

FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY

The Key highlights of financial results for Elitecon International Limited for the financial year 2023-24 are tabulated below:

(Amount in Rs.)

Particulars	2023-24	2022-23
Revenue from Operations	56,82,35,035	579,639,801
Other Income	8,78,297	3,681,201
Total Income	56,91,13,332	583,321,002
Less: Total Expenses	52,26,21,665	1,365,443,294
Profit Before Tax	4,64,91,667	(782,122,292)
Tax Expenses:		
Current Year Tax	-	-
Deferred Tax	(13,09,250)	(311,098)
Net Profit After Tax	4,78,00,917	(781,811,194)

BRIEF DESCRIPTION OF THE COMPANY'S STATE OF AFFAIRS:

During the year under review the Company had earned profit after tax of Rs. 4,78,00,917/- (Four Crores Seventy Eight Lakhs Nine Hundred Seventeen Only).

GENERAL RESERVE:

The Company has not transferred any amount to the General Reserve for the Financial Year 2023-24.

DIVIDEND:

The Board does not recommend any dividend for the Financial Year 2023-24.

SHARE CAPITAL:

During the year, there was no change in the capital structure of the Company. The paid-up equity share capital as on March 31, 2024 was Rs. 1,21,00,000/- (Rupees One Crore Twenty-One Lakhs Only).

- a) Buy Back of securities: The Company has not bought back its shares /securities during the year under review.
- b) Sweat Equity: No Sweat Equity Shares are issued during the year under review.

- c) Bonus Shares: No Bonus Shares were issued during the year under review.
- d) Employees Stock Option Plan: The Company has not provided any Stock Option Scheme to the employees.

CHANGES IN THE NATURE OF BUSINESS:

During the Financial Year 2023-24, there had been no change in the nature of the business of the Company.

PUBLIC DEPOSITS:

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 for the financial year 2023-24.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an adequate Internal Control System, commensurate with the size, scale and complexity of its operations. The scope of work includes review of process for safeguarding the assets of the Company, review of operational efficiency effectiveness of systems and processes, and assessing the internal control strengths in all areas.

Pursuant to Section 138 of the Companies Act, 2013 read with rule 13 of the Companies (Accounts) Rules, 2014, Rajeev Jain the Proprietor of M/s. Jain & Rajeev Associates (Firm Registration Number: 0275217; Membership Number: 097354) was appointed as the Internal Auditor of the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES:

In pursuance of the provision of Section 135 of the Companies Act, 2013, the CSR provisions are not applicable to your Company.

ANNUAL RETURN

Pursuant to Section 92 of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return is available on the website of the Company on the following link: https://eliteconinternational.com/wp-content/uploads/2024/09/Draft-Form_MGT-7_2024.pdf

FRAUDS REPORTED BY AUDITORS UNDER SECTION 143:

There have been no instances of fraud reported by the Statutory Auditors under Section 143 of the Act read with relevant Rules framed thereunder either to the Company or to the Central Government.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

The Company has no subsidiary Company, Joint Ventures or Associate Companies during the year under review.

DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134 (5) of the Companies Act, 2013, the Directors would like to state that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The Directors have 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.
- vi) The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

APPOINTMENT/RESIGNATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year 2023-24 under review there were movements in the Directorships in the Company.

None of the Directors of the Company are disqualified as per the provisions of Section 164 of the Companies Act, 2013.

The details of appointments and resignations of Directors/ KMP during the Financial Year 2023-24 are as follows:-

S.NO.	NAME	DESIGNATION	PARTICULARS	DATE OF EVENT
1.	Mr. Upmanyu Pathak	Executive Director	Resignation as Executive Director	23.06.2023
2.	Mr. Upmanyu Pathak	Chief Executive Officer	Resignation as Chief Executive Officer	23.06.2023
3.	Mr. Dayanand Ray	Additional Executive Director	Appointment as an additional Executive Director (Professional Category)	24.06.2023
4.	Mr. Dayanand Ray	Additional Executive Director	Regularised as Executive Director	30.06.2023
5.	Ms. Neha Anuj	Company Secretary and Compliance Officer	Resignation as Company Secretary and Compliance Officer	16.11.2023
6.	Ms. Sonia Bhimrajka	Company Secretary and Compliance Officer	Appointment as Company Secretary and Compliance Officer	22.11.2023
7.	Ms. Sonia Bhimrajka	Company Secretary and Compliance Officer	Resignation as Company Secretary and Compliance Officer	19.03.2024

After the Financial Year end, the following changes took place in board of directors of the Company:-

S.NO.	NAME	DESIGNATION	PARTICULARS	DATE OF EVENT
1.	Mr. Azmal Raqueeb Khan	Company Secretary and Compliance Officer	Appointment as Company Secretary and Compliance Officer	18.06.2024

NUMBER OF MEETINGS OF THE BOARD:

The Board meets at regular intervals to discuss and decide on Company / business policies and strategies apart from other Board business. During the year under review, Twenty (20) Board meetings were held. The intervening gap between the two consecutive meetings was within the period prescribed under the Companies Act, 2013. The notice of Board meeting including detailed agenda is given well in advance to all the Directors prescribed under the Companies Act, 2013.

The Board met on May 03, 2023, May 13, 2023, May 30, 2023, June 07, 2023, June 24, 2023, July 10, 2023, August 12, 2023, September 04, 2023, September 05, 2023, September 06, 2023, October 18, 2023, October 27, 2023, November 07, 2023, November 22, 2023, January 10, 2024, February 06, 2024, February 08, 2024, March 02, 2024, March 13, 2024 and March 20, 2024.

Sr No.	Name of Directors	Designation	No. of Meeting attended
1.	Mr. Vipin Sharma	Managing Director	20
2.	Ms. Monam Kapoor	Non-Executive Independent Director	16
3.	Mr. Ish Sadana	Non- Executive Independent Director	3
4.	Mr. Upmanyu Pathak	Executive Director and CEO (Resigned on 23.06.2023)	4
5.	Ms. Preeti	Non- Executive Independent Director	2
6.	Mr. Dayanand Ray	Executive Director (Appointed on 24.06.2023)	14

BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulation, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committee.

The result of the evaluation done by Independent Directors was reported to the Chairman of the Board. It was reported that the performance evaluation of the Board & Committee's was satisfactory. The Chairman of the Board provided feedback to the Directors on an individual basis, as appropriate. The Directors expressed their satisfaction with the evaluation process.

DIRECTORS' REMUNERATION POLICY AND CRITERIA FOR MATTERS UNDER SECTION 178:

The current policy is to have an appropriate mix of Executive, Non-Executive and Independent Directors to maintain the independence of the Board, and separate its functions of governance and management. As of March, 31 2024, the Board had five (5) Directors.

The Policy of the Company on directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of section 178 of Companies Act, 2013 is in place and maintained by company as per law

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGOINGS:

The provisions of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 with respect to the particulars of conservation of energy, technology absorption etc. are not applicable to the Company.

During the period under review the total amount of foreign exchange earnings was Rs. 1879.51 Lakhs and total amount of foreign outgo was Nil.

RELATED PARTY TRANSACTIONS:

The details of the transactions with related parties during the Financial Year 2023-24 are provided in the accompanying financial statements. Form AOC-2 pursuant to Section 134 (3) (h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is attached as **Annexure-A**.

MATERIAL CHANGES / COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT:

No significant and material changes have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

CHANGE IN NAME OF COMPANY

No change has happened in the name of the Company in the financial year 2023-24.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

AUDITORS:

In terms of provisions of Section 139 of the Companies Act, 2013, M/s V.N. Purohit & Co, Chartered Accountants (FRN: 304040E), Chartered Accountants, were appointed as Statutory Auditors of the Company for a term of five consecutive years, to hold the office from the conclusion of 36th Annual General Meeting until the conclusion of 41st Annual General Meeting to be held in the year 2028.

AUDITOR'S REPORT:

The observation made in the Auditors' Report read together with relevant notes thereon are self-explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013. The Auditors' Report does not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDIT:

The Board had appointed Mr. Aakash Goel, Proprietor of G Aakash & Associates, Company Secretaries (Membership No. A57213, CP No.21629), to carry out Secretarial Audit Pursuant to provision of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Secretarial Audit report is annexed herewith as “**Annexure B**” for the financial year 2023-24.

DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received necessary declaration from each of the Independent Directors, under section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in section 149(6) of the companies Act, 2013.

INDEPENDENT DIRECTOR MEETING:

During F.Y. 2023-24, one (1) meeting of the Independent Directors was held on March 13, 2024. The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors, Board as a whole and Chairman of the Company, taking into account the views of executive directors and non-executive directors.

RISK MANAGEMENT:

In today’s economic environment, Risk Management plays a very important part of business. The main aim of risk management is to identify, assess, prioritize, monitor and take precautionary measures in respect of the events that may pose risks to the business. The Company is not subject to any specific risk except risks associated with the general business of the Company as applicable to the industry as a whole.

At present the Company has not identified any element of risk which may threaten the existence of the Company.

VIGIL MECHANISM/WHISTLE BLOWER POLICY:

In line with the provisions of the Section 177(9) of the Act and the revised Regulation 22 of the SEBI (LODR) Regulation, the Company has adopted Whistle Blower Policy, as part of vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the fundamental business principles of the Company.

This vigil mechanism provides for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the chairperson of the Audit committee, in exceptional cases. The Company Secretary is the designated officer for effective implementation of the policy and dealing with the complaints registered under the policy.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN:

The Company is committed to provide and promote a safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. During the year under review, there was no case filed pursuant to the sexual harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

PARTICULARS OF EMPLOYEES:

As required under the provisions of Companies Act, 2013 and Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there are no employee falling under the above category, thus no information is required to be given in the report.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

In terms of the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Management's Discussion and Analysis is presented in a separate section forming part of the Annual Report.

CORPORATE GOVERNANCE:

As per the SEBI Circular No. SEBI/LAD-NRO/GN/2015-16/013 dated 2nd September, 2015, of Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Paid up equity capital as on the last day of previous Financial Year i.e. on 31st March 2023 and Net Worth both were not exceeding the limit as given under the regulation 15 of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015.

Therefore, in terms of the said circular the compliance with the corporate governance provisions as specified in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and Para C, D and E of Schedule V are not applicable to our Company during the year 2023-24.

AUDIT COMMITTEE:

The Audit Committee of the Company consist of the following members:-

1. Mr. Vipin Sharma-Chairperson
2. Ms. Monam Kapoor-Member
3. Mr. Ish Sadana- Member

The Committee met 4 (Four) times on 07.06.2023, 12.08.2023, 07.11.2023 and 08.02.2024 during the financial year 2023-24. The minutes of the meetings of the Audit Committee were discussed and taken note by the Board of Directors. The Statutory Auditor, Internal Auditor and Executive Directors/ Chief Financial Officer are invited to the meeting as and when required.

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of the Company consist of the following members:-

1. Ms. Monam Kapoor-Chairperson
2. Mr. Ish Sadana- Member
3. Mr. Vipin Sharma- Member
4. Ms. Preeti- Member

The Committee met 2 (Two) times on 22.06.2023 and 22.11.2023 during the financial year 2023-24. The minutes of the

meetings of the Nomination and Remuneration Committee were discussed and taken note by the Board of Directors.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee of the Company consist of the following members:-

1. Ms. Monam Kapoor -Chairperson
2. Mr. Ish Sadana-Member
3. Mr. Vipin Sharma -Member

The Committee met 4 (Four) times on 18.04.2023, 20.07.2023, 17.10.2023 and 10.01.2024 during the financial year 2023-24. The minutes of the meetings of the Stakeholders Relationship Committee were discussed and taken note by the Board of Directors.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

The Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

ACKNOWLEDGEMENTS:

The Board of Directors of the Company would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. The Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

By the order of the Board of Directors

	Sd/-	Sd/-
Date: September 04, 2024	(VIPIN SHARMA)	(DAYANAND RAY)
Place: New Delhi	Managing Director	Executive Director

Form AOC – 2

(Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under fourth proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NONE

- a. Name(s) of the related party and nature of relationship
 - b. Nature of contracts/arrangements/transactions
 - c. Duration of the contracts/arrangements/transactions
 - d. Salient terms of the contracts or arrangements or transactions including the value, if any N.A.
 - e. Justification for entering into such contracts or arrangements or transactions
 - f. Date(s) of approval by the Board
 - g. Amount paid as advances, if any
 - h. Date on which (a) the requisite resolution was passed in general meeting as required under first proviso to Section 188 of the Companies Act, 2013
-

2. Details of material contracts or arrangement or transactions at arm's length basis: Given in the Financial statements.

- a. Name(s) of the related party and nature of relationship
- b. Nature of contracts/arrangements/transactions
- c. Duration of the contracts/arrangements/transactions
- d. Salient terms of the contracts or arrangements or transactions including the value, if any
- e. Date(s) of approval by the Board, if any
- f. Amount paid as advances, if any

All related party transactions are in the ordinary course of business and on arm's length basis and are approved by Audit Committee of the Company.

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2024

**[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

Elitecon International Limited

152, Shivani Apartments, Plot No.63,

I.P. Extension, Patparganj, New Delhi-110092,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Elitecon International Limited (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct / statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the period covered by our audit, that is to say, from April 01, 2023 to March 31, 2024 (hereinafter referred to as 'Audit Period' or 'Period under Review'), 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 the Company till March 31, 2024, according to the provisions of:

1. The Companies Act, 2013 (the 'Act') and the Rules made thereunder;
2. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
3. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; and
4. The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder;
5. The Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");
6. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
7. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
8. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
9. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
10. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018*;

11. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021*;
12. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021*and circulars/ guidelines issued thereunder;

* no event took place in (*) mark acts/rules/regulations

We have also examined compliance with the applicable clauses of the Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India.

We report that during the Period under Review, the Company has complied with the provisions of the Laws, Rules, Regulations, Guidelines, Standards etc. mentioned above.

The summary of the non-compliances is as under:

S.no	Action taken by	Compliance Requirement (Regulations/ circulars /guidelines including specific clause)	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ Remarks
1.	The Calcutta Stock Exchange Limited	Regulation 14 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015	The Company had paid all the pending dues to The Calcutta Stock Exchange Limited (CSE).	The trading in securities has been suspended by CSE w.e.f. April 26, 2021 vide its circular dated April 23, 2021.	The Company has moved a fresh application for voluntary delisting of its securities from CSE on January 16, 2024 and paid the dues as part of the Delisting Process.
2.	Ministry of Corporate Affairs	Section 117 of Companies Act 2013	Delay in filing of Form MGT-14 (resolution with Registrar of Companies) for the appointment of Internal Auditor of the Company.	Imposition of Additional Fine of Rs. 2400 (Rupees Two Thousand Four Hundred Only) along with Normal Fee of Rs. 600 (Rupees Six Hundred Only)	Paid the additional fees along with normal fees.
3.	Stock Exchange (BSE Limited)	Regulation 33 of SEBI (LODR) Regulations, 2015	Non-submission of the financial results within the period prescribed under the regulation. (For quarter ended March 31, 2022)	Imposition of Fine of Rs. 47,200 (Rupees Forty Seven Thousand Two Hundred Only) for late submission.	Fine was duly paid by the Company.

The Stock Exchange ("The BSE Limited" "BSE") had imposed a fine of Rs. 6,31,300/- (Rupees Six Lakhs Thirty One Thousand Three Hundred Only) and Rs. 4,83,800/- (Rupees Four Lakhs Eighty Three Thousand Eight Hundred Only) for the non-compliance under Regulation 38 (Compliance with requirement of Minimum Public Shareholding (MPS)) for the quarter ended on September 30, 2023 and December 31, 2023 respectively, however the fine is still outstanding.

In line with communication from the promoters, in its board meeting dated August 03, 2022 had approved the Offer for Sale. This offer was successfully completed but owing to some technical issues on part of one of the QIBs the offer had to be abrogated.

Thereafter, a fresh OFS was done and successfully completed on November 16, 2023 (the same is duly intimated to BSE Limited).

We further report that:

The Board of Directors of the Company is duly constituted with adequate number of Executive Directors, Non-Executive Directors and Independent Directors.

There were changes in the composition of the Board of Directors during the Period under Review. The changes are as under:

S.NO.	NAME	DESIGNATION	PARTICULARS	DATE OF EVENT
1.	Mr. Upmanyu Pathak	Executive Director	Resignation as Executive Director	23.06.2023
2.	Mr. Upmanyu Pathak	Chief Executive Officer	Resignation as Chief Executive Officer	23.06.2023
3.	Mr. Dayanand Ray	Additional Executive Director	Appointment as an additional Executive Director (Professional Category)	24.06.2023
4.	Mr. Dayanand Ray	Additional Executive Director	Regularised as Executive Director	30.06.2023
5.	Ms. Neha Anuj	Company Secretary and Compliance Officer	Resignation as Company Secretary and Compliance Officer	16.11.2023
6.	Ms. Sonia Bhimrajka	Company Secretary and Compliance Officer	Appointment as Company Secretary and Compliance Officer	22.11.2023
7.	Ms. Sonia Bhimrajka	Company Secretary and Compliance Officer	Resignation as Company Secretary and Compliance Officer	19.03.2024

As represented to us, 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 on a shorter notice with due approval of the Board, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Dissenting members' views were not required to be captured and recorded as part of the minutes as there was no such instance.

We further report that there are adequate systems and processes in the Company, commensurate with the size and operations of the Company, to monitor and ensure compliance with the applicable Laws, Rules, Regulations and Guidelines.

We further report that during the Audit Period, the Company has not undertaken any specific events / actions that can have a bearing on the Company's compliance responsibility in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc.

We have relied on information/records produced by the Company during the course of my audit and the reporting is limited to that extent.

Mr. Aakash Goel, Proprietor of G Aakash & Associates, Company Secretaries, (CP No. 21629)

**For G Aakash & Associates
Company Secretaries**

Aakash Goel

(Prop.)

M. No.: A57213

CP No.: 21629

Peer Review No.: 1685/2022

UDIN: A057213F001131858

Date: September 04, 2024

Place: Panipat

Encl: Annexure 'I' forming an integral part of this Report

To

The Members

Elitecon International Limited

152, Shivani Apartments, Plot No.63,

I.P. Extension, Patparganj, New Delhi-110092

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on my audit.
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records.
We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. Our Audit was based on examination, in physical or electronic form, as feasible under the prevailing circumstances, of books and records maintained by the Company.
4. We have not verified the correctness and appropriateness of financial records and books of account of the Company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though We have relied to a certain extent on the information furnished in such returns.
5. Wherever required, we have obtained Management Representation about the compliance of Laws, Rules and Regulations and happening of events etc.
6. The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations, Standards etc. is the responsibility of management.
7. Our examination was limited to the verification of procedures on test basis.
8. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For G Aakash & Associates

Company Secretaries

Aakash Goel

(Prop.)

M. No.: A57213

CP No.: 21629

Peer Review No.: 1685/2022

UDIN: **A057213F001131858**

Date: September 04, 2024

Place: Panipat

Details pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

During the year under review, the Company has not paid remuneration to only one of its Directors. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year 2023-24 is 8.41.

(ii) The % increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

During the year under review, there has been no increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or any Key Managerial Personnel.

(iii) the percentage increase in the median remuneration of employees in the financial year: Nil

(iv) the number of permanent employees on the rolls of company: 82

(v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

During the year under review, the Company has not increased salary of employees and key Managerial personnel.

(vi) Affirmation that the remuneration is as per the remuneration policy of the company:

The Company affirms that during the year under review the remuneration paid to its employees is as per the remuneration policy of the Company.

By the order of the Board of Directors of
Elitecon International Limited

(VIPIN SHARMA)
Managing Director

(Dayanand Ray)
Executive Director

Place: New Delhi

Date: September 04, 2024

ANNEXURE III

Management Discussion & Analysis

Global Economic Overview

Global growth is projected to be in line with the April 2024 World Economic Outlook (WEO) forecast, at 3.2 percent in 2024 and 3.3 percent in 2025. However, varied momentum in activity at the turn of the year has somewhat narrowed the output divergence across economies as cyclical factors wane and activity becomes better aligned with its potential. Services price inflation is holding up progress on disinflation, which is complicating monetary policy normalization. Upside risks to inflation have thus increased, raising the prospect of higher-for-even-longer interest rates, in the context of escalating trade tensions and increased policy uncertainty. To manage these risks and preserve growth, the policy mix should be sequenced carefully to achieve price stability and replenish diminished buffers.

Source: <https://www.imf.org/en/Publications/WEO/Issues/2024/07/16/world-economic-outlook-update-july-2024>

Global Growth Outlook Projections (in %)

	Projections		
	2023	2024	2025
World Output	3.3	3.2	3.3
Advanced Economies	1.7	1.7	1.8
United States	2.5	2.6	1.9
Euro Area	0.5	0.9	1.5
Germany	-0.2	0.2	1.3
France	1.1	0.9	1.3
Italy	0.9	0.7	0.9
Spain	2.5	2.4	2.1
Japan	1.9	0.7	1.0
United Kingdom	0.1	0.7	1.5
Canada	1.2	1.3	2.4
Other Advanced Economies 3/	1.8	2.0	2.2
Emerging Market and Developing Economies	4.4	4.3	4.3
Emerging and Developing Asia	5.7	5.4	5.1
China	5.2	5.0	4.5
India *	8.2	7.0	6.5
Emerging and Developing Europe	3.2	3.2	2.6
Russia	3.6	3.2	1.5
Latin America and the Caribbean	2.3	1.9	2.7
Brazil	2.9	2.1	2.4
Mexico	3.2	2.2	1.6
Middle East and Central Asia	2.0	2.4	4.0
Saudi Arabia	-0.8	1.7	4.7
Sub-Saharan Africa	3.4	3.7	4.1
Nigeria	2.9	3.1	3.0
South Africa	0.7	0.9	1.2
Emerging Market and Middle-Income Economies	4.4	4.2	4.2

* For India, data and projections are presented on a fiscal year (FY) basis, with FY 2022/23 (starting in April 2022) shown in the 2022 column. India's growth projections are 7.3 percent in 2024 and 6.5 percent in 2025 based on calendar year.

Source: IMF, World Economic Outlook, July 2024.

<https://www.imf.org/en/Publications/WEO/Issues/2024/07/16/world-economic-outlook-update-july-2024>

Advanced Economies Group

For *advanced economies*, the growth is expected to converge over the coming quarters. In the United States, projected growth is revised downward to 2.6 percent in 2024 (0.1 percentage point lower than projected in April), reflecting the slower-than-expected start to the year. Growth is expected to slow to 1.9 percent in 2025 as the labor market cools and consumption moderates, with fiscal policy starting to tighten gradually. By the end of 2025, growth is projected to taper

to potential, closing the positive output gap.

In the United States, after a sustained period of strong outperformance, a sharper-than-expected slowdown in growth reflected moderating consumption and a negative contribution from net trade. In Japan, the negative growth surprise stemmed from temporary supply disruptions linked to the shutdown of a major automobile plant in the first quarter. In contrast, shoots of economic recovery materialized in Europe, led by an improvement in services activity. In China, resurgent domestic consumption propelled the positive upside in the first quarter, aided by what looked to be a temporary surge in exports belatedly reconnecting with last year's rise in global demand. These developments have narrowed the output divergences somewhat across economies, as cyclical factors wane and activity becomes better aligned with its potential.

Emerging Market and Developing Economies Group

Emerging and developing for China, the growth forecast is revised upward to 5 percent in 2024, primarily on account of a rebound in private consumption and strong exports in the first quarter. In 2025, GDP is projected to slow to 4.5 percent, and to continue to decelerate over the medium term to 3.3 percent by 2029, because of headwinds from aging and slowing productivity growth.

Growth in India the forecast for growth in India has also been revised upward, to 7.0 percent, this year, with the change reflecting carryover from upward revisions to growth in 2023 and improved prospects for private consumption, particularly in rural areas

Growth in the Latin America and the Caribbean, growth has been revised downward for 2024 in Brazil, reflecting the near-term impact of flooding, and in Mexico, due to moderation in demand. However, growth has been revised upwards in 2025 for Brazil to reflect reconstruction following the floods and supportive structural factors (for example, acceleration in hydrocarbon production). For the Middle East and Central Asia, oil production and regional conflicts continue to weigh on prospects. The growth forecast for 2024 in Saudi Arabia has been revised downward by 0.9 percentage point; the adjustment reflects mainly the extension of oil production cuts. Projected growth in Sudan is revised markedly downward, as persisting conflict takes a larger toll on the economy.

In sub-Saharan Africa, growth is revised downward, mainly as a result of a 0.2 percentage point downward revision to the growth outlook in Nigeria amid weaker than expected activity in the first quarter of this year.

Source: [World Economic outlook update 2024](#)

The Global Economy in a Sticky Spot

Global activity and world trade firmed up at the turn of the year, with trade spurred by strong exports from Asia, particularly in the technology sector. Relative to the April 2024 WEO, first quarter growth surprised on the upside in many countries, although downside surprises in Japan and the United States were notable. In the United States, after a sustained period of strong outperformance, a sharper-than-expected slowdown in growth reflected moderating consumption and a negative contribution from net trade. In Japan, the negative growth surprise stemmed from temporary supply disruptions linked to the shutdown of a major automobile plant in the first quarter. In contrast, shoots of economic recovery materialized in Europe, led by an improvement in services activity. In China, resurgent domestic consumption propelled the positive upside in the first quarter, aided by what looked to be a temporary surge in exports belatedly reconnecting with last year's rise in global demand. These developments have narrowed the output divergences somewhat across economies, as cyclical factors wane and activity becomes better aligned with its potential.

Global Disinflation

The momentum on global disinflation is slowing, signaling bumps along the path. This reflects different sectoral dynamics: the persistence of higher-than-average inflation in services prices, tempered to some extent by stronger disinflation in the prices of goods (Figure 1). Nominal wage growth remains brisk, above price inflation in some countries, partly reflecting the outcome of wage negotiations earlier this year and short-term inflation expectations that remain above target. The uptick in sequential inflation in the United States during the first quarter has delayed policy normalization. This has put other advanced economies, such as the euro area and Canada, where underlying inflation is cooling more in line with expectations, ahead of the United States in the easing cycle. At the same time, a number of central banks in emerging market economies remain cautious in regard to cutting rates owing to external risks triggered by changes in interest rate differentials and associated depreciation of those economies' currencies against the dollar.

Annual Estimates and Growth Rates

Real GDP or GDP at Constant Prices is estimated to attain a level of ₹173.82 lakh crore in the year 2023-24, against the

First Revised Estimates (FRE) of GDP for the year 2022-23 of ₹160.71 lakh crore. The growth rate in Real GDP during 2023-24 is estimated at 8.2% as compared to 7.0% in 2022-23. Nominal GDP or GDP at Current Prices is estimated to attain a level of ₹295.36 lakh crore in the year 2023-24, against ₹269.50 lakh crore in 2022-23, showing a growth rate of 9.6%.

Real GVA is estimated at ₹158.74 lakh crore in the year 2023-24, against the FRE for the year 2022-23 of ₹148.05 lakh crore, registering a growth rate of 7.2% as compared to 6.7% in 2022-23. Nominal GVA is estimated to attain a level of ₹267.62 lakh crore during FY 2023-24, against ₹246.59 lakh crore in 2022-23, showing a growth rate of 8.5%.

India's economic growth is expected to have slowed down to a five quarter low of 6.5% in the first quarter of FY25, below the RBI's recent projections, amid a contraction in government capital expenditure due to elections and the impact of summer heatwaves on some sectors of the economy, according to economists. The gross domestic product (GDP) growth is estimated to be in the wide range of 6% to 7% in Q1FY25 as against GDP growth of 8.2% in Q1FY24 and 7.8% in Q4FY24. The Reserve Bank of India (RBI) in its August monetary policy had revised downwards India's growth forecast for April-June quarter by 20 bps to 7.1% on account of muted government capex, lower corporate profitability and lower core output.

Industrial Growth

The IIP growth rates for the month of March 2024 over the corresponding period of previous year is 4.9 percent. The cumulative growth rate for the period of April-March 2023-24 over the corresponding period of the previous year stands at 5.8 percent.

As per Use-based classification, the indices stand at 162.2 for Primary Goods, 130.5 for Capital Goods, 167.5 for Intermediate Goods and 194.2 for Infrastructure/ Construction Goods for the month of March 2024. Further, the indices for Consumer durables and Consumer non-durables stand at 129.9 and 154.7 respectively for the month of March 2024.

Source: MOSPI

Consumer Price Inflation

There is sharp decline in the Year-on-year inflation rate based on All India Consumer Price Index (CPI) number for the month of July, 2024, which is the lowest in the last 59 months. Year-on-year inflation rate based on All India Consumer Price Index (CPI) number is 3.54% (Provisional) for the month of July, 2024. Corresponding inflation rate for rural and urban is 4.10% and 2.98%, respectively.

Source: IMF

Indian Tobacco Industry



Introduction

India is the second largest tobacco producer after China. The country has around 0.45 million hectares of area under tobacco cultivation. About 10% of the total area under tobacco cultivation is in India. Globally, it accounts for 9% of the total tobacco production. The average estimated production of tobacco crops has been around 800 million kg. The

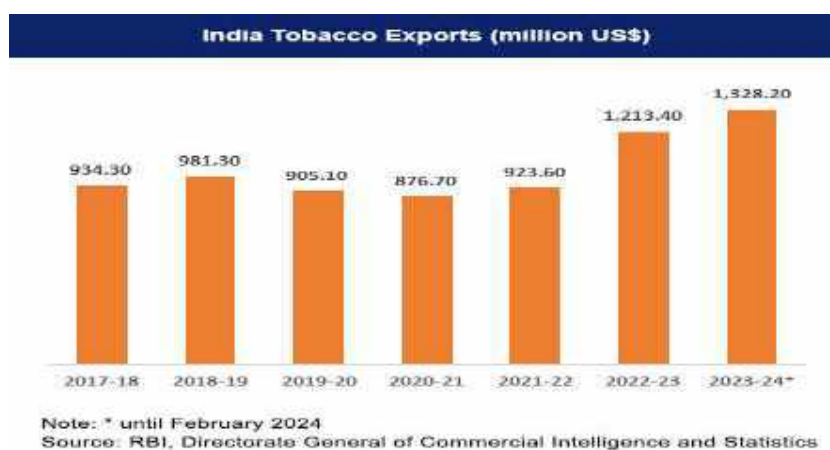
country produces various types of tobacco: flue-cured virginia tobacco, country tobacco, burley tobacco, bidi tobacco, rustica tobacco, hookah, cigar rapped, Cheroot, Burley, Oriental, Chewing tobacco, etc.

The tobacco industry of India employs about 45.7 million people in farming, labour activities, manufacturing, processing and export activities. Compared with other tobacco manufacturing countries, India has low production, farming and export cost, making it a popular industry. Indian manufactured tobacco has an edge over the other tobacco-producing countries in terms of lower levels of heavy metals, Tobacco Specific Nitrosamines (TSNAs) and pesticide residues.

India's major tobacco manufacturing states are Gujarat, Andhra Pradesh, Uttar Pradesh, Karnataka, West Bengal, Telangana and Bihar. Out of these Gujarat, Andhra Pradesh, and Uttar Pradesh account for around 45%, 20% and 15% of the country's total production respectively. Karnataka accounts for around 8% and the rest of the states account for about 2-3% of the country's total tobacco production. .

Tobacco Export Trend

India is the second largest exporter of tobacco behind Brazil. It exports various types of tobacco and tobacco products such as stripped, wholly stemmed, cigar cheroots, smoking tobacco, homogenised, flue-cured, sun-cured, extract and essence, FCV tobacco, unmanufactured tobacco, and various tobacco products.

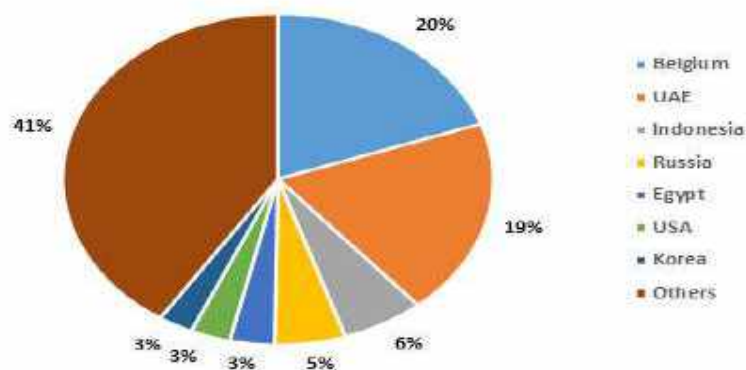


From April 2023 –December 2023 India exported 110,361 tonnes of FCV tobacco valued at Rs. 4,524 crore (US\$ 547 million). The exports of unmanufactured tobacco during April 2023 – December 2023 were 220,873 tonnes valued at Rs. 6,808 crore (US\$ 823 million). During the year 2023-24 (until February 2024), India exported tobacco and tobacco products worth a total of US\$ 1328.20 million.

Major Market

India is the only country which produces tobacco in two seasons. It exports to more than 115 countries throughout the world. The country exports tobacco mainly to Belgium, the Philippines, UAE, Indonesia, Russian Federation, Egypt, USA and many more countries worldwide. In 2023-24 (until February 2024) Out of these countries, Belgium is the biggest importer of tobacco at around 19.58% of the total exports from India. UAE and Indonesia are one of the largest tobacco export destinations for India importing around 19.16% and 6.21% of the total. The country also exports to Indonesia, France, Russia, Korea, Sri Lanka, Malaysia, Venezuela, Ethiopia, and Nigeria.

**Country-wise share of tobacco exports from India
(2023-24) until February 2024**



Source: RBI Handbook of Statistics

During 2022-23, India exported US\$ 243.3 million worth of tobacco to Belgium. This was an increase from US\$ 164.8 million in 2020-21. UAE is among the top importers of tobacco from India, with 2022-23 imports valued at US\$ 176.1 million. The value of exports to Singapore and the US during the same period was US\$ 44.5 million and US\$ 38.5 million, respectively. Some of India's other tobacco export destinations, i.e., Netherlands and Germany, imported US\$ 9 million and US\$ 11.5 million worth of tobacco from India during 2022-23, respectively.

Government Bodies

Tobacco Board

The Tobacco Board was formed in 1976 and is headquartered in Andhra Pradesh. The board is a facilitator to the tobacco growers, traders and exporters. The functions of the board are the promotion of all categories of tobacco and allied products, overseeing the production and distribution of the products for domestic as well as exports and regulating the Flue-cured Virginia (FCV) tobacco. Some of the other roles of the Tobacco board are advising the central government, propagating information, sponsoring and encouraging scientific and technological research related to tobacco promotion.

Government Initiatives

Duty Draw Back Scheme

The goal of the scheme is to cut the duty and tax chargeable on imported products that will be used to manufacture exported goods from India. Under this scheme, unmanufactured tobacco, cigars, cheroots, cigarettes, manufactured tobacco, products containing tobacco, reconstituted tobacco, nicotine, tobacco substitutes, etc. will receive a 0.15% drawback rate.

Interest Equalization Scheme (IES)

The scheme originally came into effect in 2015 and has received an extension till 2024. The interest equalization will be provided pre and post-shipment rupee export credit. As per the extension, the rates for IES will be 3% for MSMEs, and 2% for manufacturers and merchant exporters of 410 tariff-specified lines.

Tobacco Growers Welfare Scheme

The scheme is aimed at the welfare of the FCV tobacco growers and their dependent families. A Tobacco Board's Growers' Welfare Fund has been approved by the Ministry of Commerce and Industry of India under this scheme. The total corpus approved is Rs. 25 crore (US\$ 3.14 million).

Source: <https://www.ibef.org/exports/tobacco-industry-india>

Company Overview

Elitecon International Limited (hereinafter referred to as “EIL” or “Elitecon”) was established in the year 1987. Erstwhile it was known as Kashiram Jain And Company Limited. Elitecon is listed on Bombay Stock Exchange (BSE) and the Calcutta Stock Exchange (CSE).

Since 2021, it has been currently producing and trading cigarettes, smoking mixture, sheesha, and other related tobacco industry products on both domestic and international markets. Elitecon currently conducts business in the UAE, Singapore, Hong Kong, and other countries in Europe, including the UK, and it has additional goals for products including chewing tobacco, snuff grinders, match lights, matches, match boxes, pipes, and other items.

Elitecon has introduced brands like INHALE in the cigarette sector and Al Noor in the sheesha category. In the next month of 2022, the production plant is especially planned to grow. The company's human resource strength is currently 100, but by the end of the fiscal year, that strength is expected to reach about 500.

EIL has made investments in modern machinery to support the automation of its facility. Our ability to provide a seamless and effective production flow is made possible by their cutting-edge characteristics. On a regular basis, these machines go through extensive upgrades to determine whether all of its parts are in efficient working state. The ability to store the majority of the items in the most effective way possible in a large warehouse provides us an advantage over our rivals and allows us to satisfy various market demands.

The manufacturing procedure is clearly defined and was created by highly skilled professionals while taking into consideration the delicate balance that must be achieved to produce wide and varied flavor's with various types of tobacco mix. To suit contemporary and international demands for tobacco products, our company's research and development department is continually working to create new product lines. We have the capabilities to manufacture any kind of tobacco product in accordance with this specification and requirements of the customer.

Financial Performance & Analysis

Particular	(Rs. In Lakhs)	
	For the year ended 31-03-2024	For the year ended 31-03-2023
Revenue from operations	5682.35	5796.40
Other Income	8.78	36.81
Total Revenue	5691.13	5833.21
Earnings before interest, taxes depreciation and amortization	735.03	-7545.04
Earnings before interest and taxes	416.19	-7857.54
Profit before Taxation	464.92	-7821.22
Current tax	0.00	0.00
Deferred Tax	-13.09	-3.11
Net Profit/ (Loss) For the Year	478.01	-7818.11

Following are important ratios showing better performance in FY 2024:

Particulars	Units	FY 2022	FY 2023	FY 2024
Profitability Ratios				
EBITDA Margin	%	8.91%	-129.98%	12.76%
EBIT Margin	%	4.33%	-134.70%	7.31%
Net Profit Margin	%	2.22%	-134.03%	8.40%
Growth Ratios				
Net worth	%	26.92%	-1964.94%	-6.48%
Return Ratios				
Return on Equity	%	10.91%	105.36%	-6.93%
Return on Capital Employed	%	2.64%	893.49%	6.99%
Return on Assets	%	0.51%	-90.65%	4.01%

Leverage Ratios				
Debt to Equity	Times	700.00%	(883.00)	(20.58)
Debt to EBITDA	Times	1596.00%	(0.87)	19.67
Interest Coverage	Times	320.00%	(205.97)	82.72
Debt to Assets	Times	33.00%	0.75	1.20
Efficiency Ratios				
Asset Turnover	Times	0.44	0.68	0.48
Receivable Turnover	Times	31.69	10.15	4.29
Receivable Days	Days	12.00	68.00	100.00

Revenue from Operation: The Revenue rose from Rs.5796.40 in the financial year 2022-2023 to Rs 5862.35 lakhs in the financial year 2023-2024 and the company was able to generate more revenue than its average revenue in last 4 years. The growth in revenue can be attributed to the change in market scenario, opening up of the economy and trade resumptons.

Other Income: Other income for the financial year 2023-2024 decrease by 76.15% at Rs. 8.78 lakhs as compared to Rs. 36.81 lakhs in the previous year due to decrease in other non-operating income.

Operating Cost and EBITDA: The EBITDA before exceptional items increased to Rs 8308.10 lakhs for the financial year 2023-2024 as compared to Rs. -7545.05 lakhs for the financial year 2022-2023. This was mainly due to decrease in Cost of goods sold. On the other hand, the EBITDA Margin increase from (129.35%) for the financial year 2022-23 to 12.76% for the financial year 2023-24. The operating cost decreased from Rs. 13378.25 lakhs for the financial year 2022-23 to Rs.4956.10 Lakhs for the financial year 2023-24.

Debt and Finance cost: There has been increase in total debt which includes long term & short term from Rs. 6491.84 for the financial year 2022-23 to Rs.14233.73 for the financial year 2023-24. Thus, finance cost for the financial year 2023-24 at Rs 48.73 lakhs in comparison to 36.32 for the previous year.

Profit after Tax: Profit after Tax (PAT) at Rs 478.01 lakhs for the financial year 2023-24 increased by -106.11% as compared to Rs. (7818.11) lakhs in the previous year majorly due to cost of materials consumed

Growth Ratios: The Networth has increased by -6.48 for the financial year 2023-24 from -1964.94 for the financial year 2022-23 mainly due to huge growth in cogs and mainly due to following reasons discussed above.

Leverage Ratios: Leverage ratio provides an indication of how the company's assets and business operations are financed (using debt or equity). Looking at the leverage ratios it could be concluded that the company has increased its debt leverage but at the same time it has sufficient interest coverage and have been able to generate enough profits to meet its interest expenses. Hence, performed well on solvency front.

Efficiency Ratios: Efficiency ratio is used to evaluate how effectively a company manages its assets and liabilities. The company has been performing well in terms of industry parameters.

Liquidity: Cash balances increased to Rs. 182.32 Lakhs in the financial year 2023-24 as compared to Rs. 19.92 Lakhs in the previous year.

(Rs. In Lakhs)

Particulars	For the year ended 31-03-2023	For the year ended 31-03-2024
Net Cash Generated from Operating Activities(A)	(2888.06)	(7863.56)
Net Cash used in Investing Activities (B)	(804.35)	364.15
Net Cash Generated from Financing Activities (C)	3640.12	7661.81
Net increase/decrease in cash (D=A+B+C)	(52.29)	162.40
Cash and Cash Equivalents at the beginning (E)	72.21	19.92

Cash and Cash Equivalents at the end (F=D+E)	19.92	182.32
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*Particulars mentioned above are in line with year ended 31st March, 2024

Risk Management

The Company is exposed to specific risks that are particular to its business and environment within which it operates, including Foreign Exchange Risk, Interest Rate Risk, Commodity Price Risk, Risk of Product Concentration and other Business Risk. While risk is an inherent aspect of any business, the Company is conscious of the need to have an effective monitoring mechanism and has put in place appropriate measure for its mitigation including business portfolio risk, financial risk and legal risk and internal process risk.

The list of the potential risks the industry is exposed to domestically/internationally are given below:

Business Operational Risk: The business operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events like economic and market conditions, cut throat competitions at local as well as at international level, even events which are not directly connected with the organization like natural disasters, political and military turmoil etc. It can be minimized by decreasing labor turnover, power cost, logistics, balancing demand & supply risks, implementing latest technologies, Un-interrupted availability of raw material at competitive prices so as to avoid production loss, maintenance of quality and harmonizing production for completing the orders in time as well. Fluctuations of prices in international market which can impact the price / cost of a particular product(s) and its blend(s) is also a part of business operational risk.

Raw material risk: There is always a risk of inadequate or non-availability of raw materials in the market due to volatility in the prices of cotton, transportation cost etc. which could impede business profits and prospects.

Supplier Risk: We rely heavily on third parties to source our raw materials. Our primary raw materials come from third-party suppliers, and while we won't have any trouble finding new ones if we do, there is no assurance that our current or potential suppliers, as well as our on-the-job personnel, will continue to provide us with the necessary volume of raw materials and services.

Manufacturing Risk: Our manufacturing facility has operational risks such as machinery unavailability, breakdown, obsolescence, or failure, disruption in power supplies or processes, performance below projected levels of efficiency, and labour disputes. Our machines have finite lifespan as well as annual over hauled maintenance. We have signed into technical support service agreements to ensure the proper operation and maintenance of our equipment and machinery.

Quality Risk: Our products are influenced by consumer expectations, customer preferences and trends. Failure to maintain our product quality standards may have an impact on our business. Even though we have strict quality control methods in place, we have deployed lab testers to ensure that our products will always meet our clients' quality standards.

Foreign Exchange / Currency risk: We are certainly vulnerable to foreign currency exchange rates, which could have a major unfavourable effect on our operating results and financial situation. Our company has recently expanded into international markets and now sells products both domestically and internationally. Exporting our goods allows us to acquire foreign exchange gains and outgo in terms of FOB value. The exchange rate between the Rupee and other currencies fluctuates and may continue risk in our revenue. Any adverse or unexpected swing in the exchange rate of any foreign currency to Indian Rupees for businesses in order to correctly hedge their positions with international institutions may have an impact on our Company's results of operations.

Competition Risk: We confront competition in our industry from both organised and unorganised companies, which could have a negative impact on our business operations and financial situation.

We largely compete based on quality, client happiness, and marketing. We think that to compete effectively, we must preserve our reputation, be flexible and timely in responding to quickly changing market demands and consumer preferences and provide customers with a diverse range of textiles at competitive rates.

Political Risk: Political risk may be defined as the probability that a political event will impact adversely on a firm's profit. It represents the financial risk that a country's government will suddenly change its policies.

Technological risk: Technology can response corporate culture and facilitate innovative procedures. In this industry, the firm is constantly required to make changes and transformations in the production process over time, upgrade their

machinery besides creating new facilities and additional capacities in order to survive in the highly competitive market.

Human Resource Development/Industrial Relation

The Company rely that the health and safety of the workers and the persons residing in the vicinity of its plants is fundamental to the business. Commitment to the identification and elimination or control of the workplace hazards for protection of all is utmost importance. The manufacturing operations are conducted to ensure sensitivity towards the environment and minimize waste by encouraging “Green” practices. The Company continued to enjoy healthy industrial relations during the year.

Health & Safety

The company considers health and safety to be an essential province. The company has provided appropriate facilities for all workers and employees, such as adequate lighting, ventilation, and lack of congestion, as well as medical kits, stretchers, and fire extinguishers, among other things, at prominent locations. Personnel at supervisory level have been trained in basic life support techniques. The safety measures taken by the company has resulted in improving the conditions under which workers are employed and work, consequently increasing the productivity.

Infrastructure

The company is equipped with modern infrastructure facilities which assist in smooth production. The company’s manufacturing unit is outfitted with advanced machines and equipment and a trained staff, who have years of experience behind them. To sell products to the clients, the company has facilitated a smooth transportation mechanism through a strong base of transporters and traders.

Cautionary Statement

The above Management Discussion and Analysis contains certain forward-looking statements within the meaning of applicable security laws and regulations. These pertain to the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties, regarding a fluctuations in earnings, our ability to manage growth, competition, economic growth in India, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, government policies and actions with respect to investments, fiscal deficits, regulation etc. In accordance with the Code of Corporate Governance approved by the Securities and Exchange Board of India, shareholders and readers are cautioned that in the case of data and information external to the Company, no representation is made on its accuracy or comprehensiveness though the same are based on sources thought to be reliable. The Company does not undertake to make any announcement in case any of these forward-looking statements become materially incorrect in future or update any forward-looking statements made from time to time on behalf of the Company.



Independent Auditor's Report

To the members of
ELITECON INTERNATIONAL LIMITED
(Formerly known as Kashiram Jain & Company Limited)

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **ELITECON INTERNATIONAL LIMITED** (formerly known as Kashiram Jain & Company Limited) ("the Company"), which comprise the balance sheet as at 31st March 2024, the statement of profit and loss, statement of changes in equity and statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 the state of affairs of the Company as at 31st March, 2024, and the net profit (including other 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 Act. 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 (ICAI) together with ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described hereunder to be key audit matters to be communicated in our report.



Key audit matters	Auditor's response
<p><u>Revenue from operation</u></p> <p>(I) According to Ind AS 115, revenue to be recognized on satisfaction of performance obligation and transfer of control pertaining to goods and/ or services.</p> <p>(II) Determination of transaction price for measurement of revenue according to Ind AS 115.</p>	<p>Our audit procedure inter- alia included the following-</p> <ul style="list-style-type: none"> • We assessed the company's accounting policy for timing of revenue recognition assess compliances in terms of Ind AS-115 on 'Revenue from contract with customers.' • On a sample basis we have tested orders or contract with customers, sales invoices raised by the company to determine timing of transfer of control along with transaction price. • We performed year end cut off procedures to determine whether revenues are recorded in the correct period. • We used assessment of overall control environment relevant for measurement of revenue. • We performed testing of journal entries, with particular focus on manual adjustment to revenue account including elimination of inter- branch transfer in total turnover in order to mitigate the risk of manipulation of revenue and/ or profit figures.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the 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 financial statements and the auditor's report thereon.

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

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

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



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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the applicable accounting standards and the 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 are operating effectively for insuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

In 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 is 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 a reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our 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 due to fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- (i) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- (ii) Obtain an understanding of the internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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.
- (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (iv) 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 upto the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- (v) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls 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, relevant 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, 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.

Other Matters

We draw attention to Note no. 23(16) of the financial statements, The Company's net worth has been fully eroded. However, having regard financial support from its promoters, the financial statements have been prepared on the basis that the Company is a going concern and that no adjustments are required to the carrying value of assets and liabilities. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 and proper returns adequate for the purposes of the audit have been received from branches not visited by us;
 - c. the Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts;



- d. In our opinion, the aforesaid financial statements comply with the applicable accounting standards specified under Section 133 of the Act;
- e. On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact, if any of pending litigations on its financial position, in its financial statements [Refer note no. 23(1) of 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. The Company is not required to transfer any amount to the Investor Education and Protection Fund.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on such audit procedures we have obtained reasonable and appropriate evidence in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.




v. No Dividend has been declared or paid by the company during the period by this report in pursuance with Section 123 of the Companies Act 2013.

vi. Based on examination, which includes test checks, the Company has used accounting software for maintaining its books of account for the financial year ended on 31st March 2024 which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit and the audit trail feature has not been tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1st April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per statutory requirements for the record retention is not applicable for the financial year ended on 31st March 2024.

h. In our opinion and according to the information and explanations given to us, the company has paid remuneration to its director during the current financial year in accordance with the provisions laid down under section 197 of the Act, read with Schedule V of the Act are being complied.

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E



O.P. Pareek
Partner
Membership No. 014238
UDIN: - 240142388KAUCD4293



New Delhi, 28th day of May 2024

ANNEXURE- A TO THE AUDITOR'S REPORT

The Annexure referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date to the members of **ELITECON INTERNATIONAL LIMITED** (formerly known as Kashiram Jain & Company Limited) for the year ended on 31st March 2024.

- (i) (a) (A) According to the information and explanations given to us, the company is maintaining proper records showing full particulars, including quantitative details and situation of property plant and equipment;
- (B) According to the information and explanations given to us, the company does not have any Intangible asset hence the provisions of sub clause (i)(a)(B) of para 3 of the order are not applicable;
- (b) According to the information and explanations given to us, physical verification of Property Plant and equipment has been conducted once in a year by the management and no material discrepancies were noticed during the course of verification;
- (c) According to information and explanation given to us, the company does not hold any immovable property during the year dealt with by this report. Accordingly, the provisions of sub-clause (i)(c) of para 3 of the order are not applicable to the company;
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year. Accordingly, the provisions sub-clause (i)(d) of para 3 of the order are not applicable to the company;
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Accordingly, the provisions of sub-clause (i)(e) of para 3 of the order are not applicable to the company;
- (ii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the physical verification of inventory has been conducted at reasonable intervals by the management is appropriate and no material discrepancies were noticed during the course of such physical verification.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not taken any working capital loan from financial institutions exceeding Rs. 5 Crores on the basis of security of current assets during the period covered by this report. Accordingly, the provisions of sub-clause (ii)(b) of para 3 of the order are not applicable.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made investments in, provided any guarantee or security or loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the period covered by this report. Accordingly, the provisions under sub-clause (iii)(a) to (iii)(f) of para 3 of the order are not applicable.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any



guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has complied with the requirement of provision of section 186 of the Companies Act, 2013 to the extent as applicable to it;

- (v) According to the information and explanations given to us and on the basis of our examination of the records, The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, the requirement of provision of sub clause (v) of para 3 of the order are not applicable;
- (vi) According to information and explanations given to us, the Company is liable to maintain cost records as prescribed under section 148(1) of the Companies Act, 2013 and company has maintained the same;
- (vii) (a) According to information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including income-tax and any other applicable statutory dues to the appropriate authorities and there are no outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date, they became payable except following: -

Nature of dues	Amount (Rs. in Lakhs)
Professional Tax	0.19

(b) According to information and explanations given to us, following are the outstanding statutory dues on part of the Company which is not deposited on account of any dispute: -

Nature of Dues	Period	Amount (Rs. in Lakhs)	Forum where pending
Income tax	A.Y. 2018-19	122.48	CIT (Appeals)

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year;
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records, the company has not defaulted in repayment of borrowings or in the payment of interest thereon to any lenders;
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority;
- (c) According to the information and explanations given to us by the management, the company has applied the term loan for the purpose for which they were obtained;
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis that have been utilized for the long- term purpose by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company does not have any subsidiaries as defined under the Companies Act, 2013. Accordingly, the provisions of sub clause (ix)(e) of para 3 of the order are not applicable;



- (f) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company does not have any subsidiaries as defined under the Companies Act, 2013. Accordingly, the provisions of sub clause (ix)(f) of para 3 of the order are not applicable;
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, the provisions of sub clause (x)(a) of para 3 of the order are not applicable;
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of sub clause (x)(b) of para 3 of the order are not applicable;
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit;
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) According to the Information and explanations given to us, there are no whistle blower complaints received by the company during the year;
- (xii) According to the information and explanation given to us and on the basis of our information and explanation of the records of the company is not a Nidhi Company. Hence the provisions of sub clause (xii) of para 3 of the order are not applicable;
- (xiii) According to information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards;
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit;
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company;
- (xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934;
- (b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;



- (c) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the requirement of provision of sub clause (xvi)(c) of para 3 of the order are not applicable;
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of provision of sub clause (xvi)(d) of para 3 of the order are not applicable;
- (xvii) The Company has not incurred any cash losses during the current financial year. However, there was cash loss amounting to Rs. 7,581.36 lakhs in the immediately preceding financial year;
- (xviii) There has been resignation of the statutory auditors during the year and no consideration the issues, objections or concerns raised have been raised by the outgoing auditors;
- (xix) *According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions we are of the opinion that there exist a material uncertainty as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.*
- (xx) According to the information and explanations given to us, provisions of Corporate Social Responsibility (CSR) specified in section 135 read with schedule VII of Companies Act are not applicable upon the company.
- (xxi) According to the information and explanations given to us, we report that the Company does not have any subsidiaries as defined under the Companies Act, 2013. Accordingly, the provisions of sub clause (xxi) of para 3 the order are not applicable.

Signed for the purpose of identification

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

O.P. Pareek

O.P. Pareek
Partner
Membership No. 014238
UDIN: - 24014238BKAUCD4293



New Delhi, 28th day of May 2024

ANNEXURE- B TO THE AUDITOR'S REPORT

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

We have audited the internal financial controls with reference to financial statements of **ELITECON INTERNATIONAL LIMITED** (formerly known as Kashiram Jain & Company Limited) as on 31st March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company has, in all material aspects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2024, based on "the internal financial controls with reference to financial statements" criteria 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".

Management's Responsibility for the Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Control 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 fraud and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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 ICAI. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material aspects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to financial statements 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 with reference to financial statements 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 the receipt and expenditures of the Company are being only in accordance with authorizations 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 with reference to financial statements

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

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

O.P. Pareek

O.P. Pareek
Partner
Membership No. 014238



UDIN: - 24014238BKAUCD4293

New Delhi, 28th day of May 2024

Elitecon International Limited

CIN : L16000DL1987PLC396234

152, Shikari Apartments, Plot No. 63, I.P. Extension, Patparganj, Delhi - 110092

Balance Sheet as at 31st March, 2024

Particulars:	Note No.	₹ in Lakhs	
		As at 31.03.2024	As at 31.03.2023
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	562.95	1,115.34
(b) Capital work-in-progress	-	-	-
(c) Other intangible assets	-	-	-
(d) Non-current investments	-	-	-
(e) Right of use assets	3	69.52	106.66
(f) Financial Assets			
(i) Investments	-	-	-
(ii) Loans	-	-	-
(iii) Other Financial Assets	-	-	-
(g) Deferred tax assets (net)	4	13.94	1.74
(h) Other non-current assets	-	-	-
(2) Current Assets			
(a) Inventories	5	3,958.47	3,120.87
(b) Financial Assets			
(i) Investments	-	-	-
(ii) Trade receivables	6	1,563.56	1,087.40
(iii) Cash and Cash Equivalents	7	182.32	19.92
(iv) Loans	-	-	-
(c) Other current assets	8	5,541.81	3,150.18
(d) Current Tax Assets (net)	-	29.61	12.20
TOTAL ASSETS		11,916.18	8,624.51
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	9	121.00	121.00
(b) Other Equity	-	(7,660.56)	(7,541.23)
Liabilities			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	10	14,253.73	1,481.84
(ii) Lease Liabilities	11	50.60	57.10
(iii) Other financial liabilities	-	-	-
(b) Provisions	12	1.10	3.70
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	9	-	-
(ii) Lease Liabilities	11	10.99	36.67
(iii) Trade payables:	13	-	-
(A) total outstanding dues of micro enterprises and small enterprises	-	-	8.20
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	-	2,625.91	1,264.88
(b) Other Current Liabilities	14	1,924.47	4,162.26
(c) Provisions	15	0.01	0.02
(d) Current Tax Liabilities (net)	-	-	-
TOTAL EQUITY AND LIABILITIES		11,916.18	8,624.51

The accompanying notes 1 to 23 are an integral part of the Financial Statements.

As per our report of even date attached

For V.N. PURDHIT & CO.,

Chartered Accountants

FRN: 306040C

D.P. Parikh

Partner

M. No.: 014238

UDIN: 24014238KAKC4293

Date: 28th May, 2024

Place: New Delhi

For and on behalf of the Board of Directors of
Elitecon International Limited

Vijay Sharma

Managing Director

DN: 01739519

152, Shikari Apartments,

Plot No. 63,

I.P. Extension, Patparganj,

Delhi-110092

Gyanraaj Ray

Director and CEO

DN: 07478810

2/4, Pocket- 7, Sector - 82,

Noida-201304

Chetnu

Chief Financial Officer

PAN: AUEPC2495A

Elitecon International Limited

CIN : L16000DL1987PLC396234

152, Shivani Apartments, Plot No- 63, I.P. Extension, Patparganj, Delhi - 110092

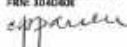
Statement of Profit and Loss for the year ended 31st March, 2024

Particulars	Note No.	₹ in Lakhs	
		For the year ended 31st March, 2024	For the year ended 31st March, 2023
I. Revenue from operations	16	5,682.55	5,791.40
II. Other income	17	8.78	36.81
III. Total income (I+II)		5,691.33	5,828.21
IV. Expenses			
Cost of materials consumed	18	4,350.28	12,386.82
Changes in inventories of finished goods, stock-in-trade and work in progress	19	(1.75)	49.46
Employee's benefits expense	20	241.60	437.85
Finance Costs	21	48.74	36.32
Depreciation and amortisation expense	3	221.38	139.86
Other expenses	22	306.81	504.12
Total expenses		5,226.21	13,654.43
V. Profit/(loss) before exceptional items and tax (III-IV)		464.92	(7,826.22)
VI. Exceptional items		-	-
VII. Profit/(loss) before tax (V+VI)		464.92	(7,826.22)
VIII. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		(13.09)	(9.11)
IX. Profit (Loss) for the period (VII - VIII)		478.01	(7,835.33)
X. Other Comprehensive Income			
(A)(i) Items that will not be reclassified to profit or loss		3.55	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.89)	-
Sub-Total (A)		2.66	-
(B)(i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Sub-Total (B)		-	-
Total Other Comprehensive Income (A+B)		2.66	-
XI. Total Comprehensive Income for the period (IX+X) (Comprising Profit/(Loss) and Other Comprehensive Income for the period)		480.67	(7,835.33)
XII. Earnings per share (face value of ₹ 10 each):			
(1) Basic (₹)		39.53	(646.12)
(2) Diluted (₹)		30.53	(646.12)

The accompanying notes 1 to 23 are an integral part of the Financial Statements.

As per our report of even date attached

For V.A. PURCHIT & CO.
Chartered Accountants
FIRN: 3040636




G.P. Pareek
Partner
M. No.: 014238
UDIN: 24014238BKAUCD4299



For and on behalf of the Board of Directors of
Elitecon International Limited


Vijay Sharma
Managing Director
DIN: 61739519
152, Shivani Apartments,
Plot No. 63,
I.P. Extension, Patparganj,
Delhi-110092


Dayanand Roy
Director and CEO
DIN: 07478830
2/A, Pocket - 7, Sector -
82, Noida-201304


Chetna
Chief Financial Officer
PAN: ANEPCB499A

Date: 28th May, 2024
Place: New Delhi

Elitecon International Limited

CIN : L16000DL1987PLC396234

152, Shivani Apartments, Plot No. 63, I.P. Extension, Patparganj, Delhi - 110092
Cash Flow Statement for the period ended 31st March, 2024

Particulars	Year ended 31.03.2024		Year ended 31.03.2023	
(₹ in Lakhs)				
A. Cash flow from Operations				
Profit before tax		484.82		(7,821.22)
Adjustment for:				
Depreciation and amortization expense	221.38		239.86	
Prior period adjustment	-		-	
Financial Charges	48.74		36.32	
Goodwill Expense	6.94		3.72	
Interest Income	-		-	
Provision for Doubtful Debts	-		-	
Liabilities written back	-		-	
Recognition of lease liability	(5.89)		-	
(Profit)/loss on sale of Property, plant and equipment	(3.09)	282.02	(0.40)	279.50
Operating profit before working capital changes		727.84		(7,541.72)
(Increase)/ Decrease in Current Assets				
Inventories	(827.60)		(39.06)	
Trade receivables	(475.96)		(1,026.00)	
Other current assets	(2,391.63)	(2,695.18)	1,574.27	489.21
Increase /Decrease in Current Liabilities				
Trade payables	(3,647.02)		87.67	
Other Current Liabilities	(2,257.79)		4,322.38	
Provisions	-	4,884.81	-	4,150.05
Cash inflow / (outflow) from Operations		(2,852.15)		(5,962.46)
Income Tax paid	-	(11.41)	(25.61)	(25.60)
Net Cash inflow / (Outflow) from Operating Activities (A)		(2,863.56)		(6,013.66)
B. Cash flow from Investing activities				
Purchase of property, plant and equipment	(32.29)		(811.82)	
Sale of property, plant and equipment	356.44		7.47	
Interest received	-		-	
Loans given/ realized	-		-	
Sale/redemption of investments	-	364.15	-	(804.85)
Net Cash inflow / (Outflow) from Investing Activities (B)		364.15		(804.35)
C. Cash flow from Financing Activities				
Proceed from issue of share Capital	-		-	
Increase in Securities Premium	-		-	
Proceed from Long Term Borrowings	7,741.88		3,715.88	
Payment of Lease Liabilities	(34.32)		(47.50)	
Financial Charges	(83.75)		(27.82)	
Net Cash inflow / (Outflow) from Financing Activities (C)		7,663.81		3,640.12
Net Change in Cash or Cash Equivalents during the year (A+B+C)		142.49		(42.29)
Cash and Cash Equivalents at the beginning of the year		15.52		72.21
Cash and Cash Equivalents at the end of the year		162.12		29.92

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS-7 'Statement of Cash Flows'.
- Cash and Cash Equivalents represent cash and bank balances (Refer Note 6).
- Previous year's figures have been regrouped/rearranged/reclassified whenever necessary.

The accompanying notes 1 to 23 are an integral part of the Financial Statements.

As per our Audit Report of even date attached
For V.N. PUROHIT & CO.
Chartered Accountants
FRN: 304080C

O.P. Jaisankar
Partner
M. No.: 014238
UDIN: 240242388KALCD4250



For and on behalf of the Board of Directors of
Elitecon International Limited

Vijay Sharma
Managing Director
DIN: 05739519
152, Shivani Apartments,
Plot No. 63,
I.P. Extension, Patparganj,
Delhi-110092

Dayanand Ray
Director and CEO
DIN: 07478810
2/4, Pocket-7,
Sector-42, Noida-
201304

Chetna
Chief Financial Officer
PAN: AVEPC899A

Date: 28th May, 2024
Place: New Delhi

Elitecon International Limited

CA: L400003474C19624
153, Shanti Apartments, Plot No. 15, P. Extension, Patparganj, Delhi - 110052

Statement of Changes in Equity

		(P) in lakhs	
		Balance at the beginning of the current reporting period	Balance at the end of the reporting year
A. Equity share capital			
[1] Current Reporting period			
Balance at the beginning of the current reporting period	131.00		131.00
Changes in equity share capital due to prior period errors			
Retained balance at the beginning of the current reporting period			
Changes in equity share capital during the current year			
Balance at the end of the reporting year			131.00
[2] Previous reporting period			
Balance at the beginning of the previous reporting period			
Changes in equity share capital due to prior period errors			
Retained balance at the beginning of the previous reporting period			
Changes in equity share capital during the previous year			
Balance at the end of the previous reporting year			131.00

		(P) in lakhs														
		Reserves and Surplus														
		Share application money pending allotment	Equity component of compound financial instruments	Capital Reserves	Securities Premium	Other Intangible Assets	Other Financial Assets	Retained earnings	Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of cash flow hedge	Evaluation surpluses	Exchange differences on translating the financial statements of a foreign operation	Other Items of Other Comprehensive Income (Excluding Surplus)	Minority interest related to equity warrants	Total
Balance at the beginning of the current reporting year		-	-	-	226.00	-	-	(7,717.23)	-	-	-	-	-	-	-	(7,541.23)
Changes in accounting policy or prior period errors		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retained balance at the beginning of the current reporting period		-	-	-	226.00	-	-	(7,717.23)	-	-	-	-	-	-	-	(7,541.23)
Total comprehensive income for the year		-	-	-	-	-	-	4,951.11	-	1.86	-	-	-	-	-	498.87
Dividends		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Shares Issued during the year		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the current reporting year		-	-	-	226.00	-	-	(7,288.22)	-	1.86	-	-	-	-	-	(7,068.38)



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12. Financial reporting period

PK 20090823

Reserves and surplus

Share application notes pending assessment	Equity component of financial instruments	Reserves and surplus			Retained earnings	Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Exchange differences on translating the financial statements of a foreign operation	Other Items of Other Comprehensive Income (Specify nature)	Money received against share warrants	Total
		Capital Reserve	Securities Premium	Other reserves (Specify nature)							
			326.00		50.88						276.88
Change in accounting policy or error period or (v)											
Initial balance at the beginning of the previous reporting period			226.00		50.88						276.88
Total comprehensive income for the year					(7,838.11)						(7,838.11)
Dividends											
Equity items issued during this year											
Balance at the end of the period			226.00		(7,787.23)						(7,561.23)
The accompanying notes 2 to 24 are an integral part of the financial statements.											

As per our reports of date 08/08/2009
 Chartered Accountants
 P.M. 20090823



For and on behalf of the Board of Directors of
 Eliticon International Limited



For and on behalf of the Board of Directors of
 Eliticon International Limited

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 New York

Elitecon International Limited

CIN : L16000DL1987PLC396234

152, Shivani Apartments, Plot No. 63, I.P. Extension, Patparganj, Delhi - 110092

Notes to the Financial Statements

Note-1: Corporate Overview

Elitecon International Limited ('EIL') is engaged in manufacturing and trading of all kinds of tobacco, cigarettes, smoking and other products of tobacco and deals in any other articles and things commonly dealt in by tobacconists.

EIL is a public limited company incorporated and domiciled in India having its registered office at 152, Shivani Apartments, Plot No. 63, I.P. Extension, Patparganj, Delhi - 110092. EIL is listed on the Bombay Stock Exchange Limited (BSE) and the Calcutta Stock Exchange Limited (CSE).

2 Significant Accounting Policies

2.1 Basis of preparation of financial statements:

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values. The Ind AS are prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.2 Use of Estimates and judgments:

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the applications of the accounting policies and the reported amounts of assets and liabilities, disclosure of contingent assets & liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements.

2.3 Property, Plant and Equipment:

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition which is not recoverable. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

Depreciation on property, plant & equipment is calculated on Written Down Method in accordance with the provisions of Schedule II of the Companies Act, 2013 keeping 5% of cost as residual value. The useful life of property, plant & equipment as defined in Part C of schedule II of the Companies Act, 2013 has been taken for all property, plant & equipment except for Office Equipments, Printer and Lab Equipments. In case of purchase / sale of assets during the year, depreciation has been charged on pro rata basis from / up to date of commercial production / sale. Depreciation is not provided on Capital Work in Progress until the assets are ready for its intended use.

The management believes that the useful lives as given below best represent the period over which the management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of schedule II of the Companies Act, 2013:

Office Equipments	15 and 10 Years
Printer	6 Years
Lab Equipments	15 Years

Intangible Assets:

Intangible assets are stated at cost less accumulated amortization and net of impairments, if any. Intangible assets are amortized over their estimated useful lives on straight-line basis. An intangible asset is recognized if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and its cost can be measured reliably.



Elitecon International Limited

CIN : L16000DL1987PLC396234

152, Shivani Apartments, Plot No. 63, I.P. Extension, Patparganj, Delhi - 110092

Notes to the Financial Statements:

2.4 Inventories:

The inventories are valued at lower of cost or net realizable value. The cost of inventories is determined based on weighted average cost method as permitted by Indian Accounting Standard 2 - Inventories.

The basis of determining cost for various categories of inventories is as follows:-

- Spares, consumables and accessories are valued on Weighted Average basis.
- Raw material are valued on Weighted Average basis.
- Work-in-progress are valued at cost of production (cost of materials and overhead up to the completed stage of production)
- Inventories of Finished goods are valued on Weighted Average basis or net realizable value whichever is less.
- Goods in transit are recorded at its purchase price.

2.5 Foreign Currency Transaction:

The functional and presentation currency of the Company is Indian Rupee. Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Current assets and current liabilities denominated in foreign currency are translated at the exchange rate prevalent at the date of the balance sheet. Gains / losses arising on settlement as also on translation of monetary items are recognized in the Statement of Profit and Loss.

2.6 Taxes on Income:

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years. Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

2.7 Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable for goods supplied. Revenue from sale of products is recognized when the company performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods is when the control over the same is transferred to the customer. Revenue from sale of goods excludes Excise Duty, Sales Tax/GST and Trade Discount.

Interest income is recognised in the Statement of Profit and Loss using the effective interest method.

Dividend income is recognized in the Statement of Profit and Loss when the right to receive dividend is established.

2.8 Borrowing Cost:

Borrowing cost that are attributable to the acquisition / construction of qualifying assets are capitalized as part of the cost of the respective assets. Other borrowing costs are recognized as expenses in the year in which they are incurred.

2.9 Leases:

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee

Right-of-Use (ROU) assets are recognized at inception of a contract or arrangement for significant lease components at cost less lease incentives, if any. ROU assets are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The cost of ROU assets includes the amount of lease liabilities recognized, initial direct cost incurred and lease payments made at or before the lease commencement date. ROU assets are generally depreciated over the shorter of the lease term and estimated useful lives of the underlying assets on a straight line basis. Lease term is determined based on consideration of facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Lease payments associated with short term leases and low value leases are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

The Company recognises lease liabilities measured at the present value of lease payments to be made on the date of recognition of the lease. Such lease liabilities do not include variable lease payments (that do not depend on an index or a rate), which are recognised as expense in the periods in which they are incurred. Interest on lease liability is recognised using the effective interest method. Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities is also remeasured upon modification of lease arrangement or upon change in the assessment of the lease term. The effect of such remeasurements is adjusted to the value of the ROU assets.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment or investment property and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the term of the lease.



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Elitecon International Limited

CIN : L16000DL1987PLC396234

152, Shivani Apartments, Plot No. 63, I.P. Extension, Patparganj, Delhi - 110092

Notes to the Financial Statements

2.10 Financial Instruments: Financial assets, Financial liabilities and Equity Instruments:

Financial Assets -

Recognition

Financial Assets are initially recognised at transaction price. Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. Financial assets are classified as those measured at:

(a) amortized cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/or interest.

(b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealized gains and losses arising from changes in the fair value being recognised in other comprehensive income.

(c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealized gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Derecognition

Financial assets are derecognized when the right to receive cash flows from the assets has expired, or has been transferred, and the Group has transferred substantially all of the risks and rewards of ownership. If the asset is one that is measured at:

(a) amortized cost, the gain or loss is recognised in the Statement of Profit and Loss;

(b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment, in which case the cumulative fair value adjustments previously taken to reserves are reclassified within equity.

Financial Liabilities -

Recognition

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortized cost. Any discount or premium on redemption/ settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Derecognition

Financial liabilities are derecognized when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled or on expiry.

Equity Instruments-

Equity Instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

2.11 Employee Benefits:

a) Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, performance, incentives, etc, are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the employee renders the related service.

b) Post-Employment Benefits

Post retirement benefits like provident fund, superannuation, gratuity and post retirement medical benefits are provided for as below:

Defined Contribution Plans

Contributions under Defined Contribution Plans i.e. provident fund & superannuation fund are recognised in the Statement of Profit and Loss in the period in which the employee has rendered the service.

Defined Benefit Plans

For defined benefits retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each year end balance sheet date. Re-measurement gains and losses of the net defined benefit liability/(asset) are recognised as an expense within employment costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The retirement benefit obligation recognised in the balance sheet represents the present value of defined-benefit obligation as reduced by the fair value of plan assets.

c) Other benefits

Other long term benefits include compensated absences, long term service benefit, pension and sick leave. The liability towards other long term benefits is determined by independent actuary at every balance sheet date and service cost, net interest on net defined liability/ (asset) are recognised in profit and loss account.



Elitecon International Limited
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Elitecon International Limited

CIN : L16000DL1987PLC396234

157, Shivani Apartments, Plot No. 63, I.P. Extension, Patparganj, Delhi - 110092.

Notes to the Financial Statements

2.12 Basic earning per share:

Basic earning per share is calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split and reserve share splits that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.13 Segment information:

The Company is primarily engaged in the business of "tobacco and allied products" and "Agro Commodities", which in terms of Ind AS 108 on "Segment Reporting" constitutes a two reporting segments.

2.14 Provisions, contingent liabilities and contingent assets:

Provisions are recognised in the balance sheet when the company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the reporting date taking into account the risks and uncertainties surrounding the obligation.

2.15 Impairment of assets:

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

If assets are considered to be impaired, the impairment to be recognised in the Statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any depreciation) had no impairment been recognised for the asset in prior years.

2.16 Derivatives and hedge accounting:

Derivatives are initially recognised at fair value and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gains / losses are recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of recognition in profit or loss /inclusion in the initial cost of non-financial asset depends on the nature of the hedging relationship and the nature of the hedged item.

2.17 Government Grants:

The Company may receive government grants that require compliance with certain conditions related to the Company's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria. Government grants are recognised when there is reasonable assurance that the grant will be received upon the Company complying with the conditions attached to the grant. Accordingly, government grants:

- related to or used for assets, are deducted from the carrying amount of the asset.
 - related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.
 - by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.
- In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.



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Elitecon International Limited
CIN : L1600DOL1987PLC396234

152, Shikari Apartments, Plot No. 63, I.P. Extension, Patparganj, Delhi - 110092

Notes to the Financial Statements
Note 3:- Property, Plant and Equipment

Sr. No.	Particulars	Gross Block			Depreciation and Amortization			Net Block		
		As at 01.04.2023	Additions during the year	Deductions/ Adjustments	As at 31.03.2024	As at 01.04.2023	For the year	Deductions/ Adjustments	As at 31.03.2024	As at 31.03.2023
I. Property, plant & equipment										
	Factory Building	-	-	-	-	-	-	-	-	-
	Plant & Equipment	1,322.81	31.14	507.58	846.37	244.76	117.32	309.46	536.92	1,078.05
	Furniture & Fixtures	38.92	0.76	1.48	38.20	14.78	0.65	19.87	18.33	24.34
	Office Equipments	36.59	-	4.12	12.46	4.77	2.99	5.74	6.72	11.81
	Computers	1.90	0.39	0.23	2.06	0.56	0.04	1.06	0.99	1.34
	Software	-	-	-	-	-	-	-	-	-
	Sub total (A)	1,380.21	32.29	513.41	895.09	264.87	120.03	336.14	562.95	1,115.34
II. Capital Work in Progress										
	Capital WIP	-	-	-	-	-	-	-	-	-
	Sub total (B)	-	-	-	-	-	-	-	-	-
III. Right of Use Assets										
	Office	170.45	70.50	170.45	70.50	63.79	30.07	0.98	69.52	106.66
	Sub total (C)	170.45	70.50	170.45	70.50	63.79	30.07	0.98	69.52	106.66
	Grand Total (A+B+C)	1,550.66	102.79	683.86	965.59	328.66	212.92	337.12	632.47	1,221.00



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Elitecon International Limited
CIN : L16000DL1987PLC396234

152, Shivani Apartments, Plot No. 63, I.P. Extension, Patparganj, Delhi - 110092

Notes to the Financial Statements

Note 4:- Deferred tax (liabilities)/assets (Net) (₹ in Lakhs)

Particulars	As at	
	31.03.2024	31.03.2023
Deferred tax liabilities	-	-
Deferred tax assets	13.94	1.74
Deferred tax (liabilities)/assets (Net)	13.94	1.74

Movement of deferred tax (liabilities)/assets

Particulars	Opening Balance	Recognized in Profit & Loss	Recognized in OCI	Closing Balance
2023-24				
Deferred tax liabilities/ assets in relation to:				
On Property, plant and equipment	-	-	-	-
Total deferred tax liabilities	-	-	-	-
On Property, plant and equipment	(1.13)	14.54	-	13.41
On Business loss	-	-	-	-
On Leases	1.90	(1.65)	-	0.25
On Gratuity	0.97	0.20	(0.89)	0.28
Total deferred tax assets	1.74	13.09	(0.89)	13.94
Deferred tax (liabilities)/assets (Net)	1.74	13.09	(0.89)	13.94
2022-23				
Deferred tax liabilities/ assets in relation to:				
On Property, plant and equipment	(2.60)	2.60	-	-
Total deferred tax liabilities	(2.60)	2.60	-	-
On Property, plant and equipment	-	(1.13)	-	(1.13)
On Business loss	1.23	(1.23)	-	-
On Leases	-	1.90	-	1.90
On Gratuity	-	0.97	-	0.97
Total deferred tax assets	1.23	0.51	-	1.74
Deferred tax (liabilities)/assets (Net)	(1.37)	3.11	-	1.74

Note 5:- Inventories (₹ in Lakhs)

Particulars	As at	
	31.03.2024	31.03.2023
Raw Materials	1,166.79	2,343.93
Finished Goods	380.97	786.94
Stock In Transit: Finished goods	405.72	-
Total	1,953.47	3,130.87

- Note:
- Raw material are valued on Weighted Average basis.
 - Work-in-progress are valued at cost of production (cost of materials and overhead up to the completed stage of production).
 - Inventories of Finished goods are valued on Weighted Average basis or net realizable value whichever is less.

Note 6:- Trade Receivables (₹ in Lakhs)

Particulars	As at	
	31.03.2024	31.03.2023
(a) Secured, considered good	-	-
(b) Unsecured Considered Good	1,563.56	1,087.60
(c) Doubtful	-	-
Total	1,563.56	1,087.60

Trade receivables ageing schedule (₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment 31.03.2024					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	910.15	653.41	-	-	1,563.56
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Total	-	910.15	653.41	-	-	1,563.56



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ELITECON INTERNATIONAL LIMITED
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Trade receivables ageing schedule

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment 31.03.2023					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	997.52	90.08	-	-	-	1,087.60
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Total	997.52	90.08	-	-	-	1,087.60



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Elitecon International Limited

CIN : L16000DL1987PLC396234

152, Shivani Apartments, Plot No. 63, I.P. Extension, Patparganj, Delhi - 110092

Notes to the Financial Statements

Note 7:- Cash and Cash equivalents

Particulars	(₹ in Lakhs)	
	As at 31.03.2024	As at 31.03.2023
Balances with Banks	171.58	11.81
Cheques, Draft in hand	-	-
Cash on hand	10.74	8.11
Total	182.32	19.92

Note 8:- Other current assets

Particulars	(₹ in Lakhs)	
	As at 31.03.2024	As at 31.03.2023
Advances other than capital advances	-	-
Advances to related parties	-	-
Other advances:		
TDS & TCS	-	-
GST & Cess inward	1,414.47	1,947.85
GST & Cess Refund receivable	3,435.35	984.82
Deposits with Government Authorities	563.84	-
Deposits & Advances receivable in cash or in kind or for value to be received	37.31	41.73
Advance to Employees & other advances	-	-
Advance to Suppliers	90.84	175.78
Total	5,541.81	3,150.18



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Elitecon International Limited

CIN : L16000DL1997PLC390334

152, Shivani Apartments, Plot No. 51, I.P. Extension, Palapgarh, Delhi - 110092

Notes to the Financial Statements

Note 8- Equity Share Capital

Particulars	As at 31.03.2024		As at 31.03.2023	
	No. of Shares	Amount	No. of Shares	Amount
(A) Authorized, Issued, Subscribed and fully paid up				
Authorized:				
Equity shares of Rs. 10/- each	16,00,00,000.00	16,000.00	1,00,00,000.00	1,000.00
Total	16,00,00,000.00	16,000.00	1,00,00,000.00	1,000.00
Issued, subscribed and fully paid up:				
Equity shares of Rs. 10/- each	12,10,000.00	121.00	12,10,000.00	121.00
Total	12,10,000.00	121.00	12,10,000.00	121.00

Particulars	As at 31.03.2024	As at 31.03.2023
Number of shares outstanding as at the beginning of the year	12,10,000	12,10,000
Add: Number of shares allotted for cash	-	-
Less: Number of shares bought back during the year	-	-
Number of shares outstanding as at the end of the year	12,10,000	12,10,000

Name of the shareholder	As at 31.03.2024		As at 31.03.2023	
	No. of Shares	Percentage	No. of Shares	Percentage
Amrac Real Estate Fund-I	4,00,000	33.06%	4,00,000	33.06%
DUC Education Foundation	87,500	7.23%	2,74,900	22.72%
Vijay Sharma	4,20,000	34.71%	4,20,000	34.71%
Entrance Global Fund PCC-Kubika Capital Partners Fund I	95,700	7.94%	-	-
AG Dynamics Funds	95,700	7.94%	-	-

(D) Ordinary Shares allotted as fully paid pursuant to contract(s) without payment being received in cash during the period of five years immediately preceding 31st March, 2024: Nil

(E) Ordinary Shares allotted as fully paid up Bonus Shares for the period of five years immediately preceding 31st March, 2024: Nil

(F) Rights, preferences and restrictions attached to the Ordinary Shares:

The Ordinary Shares of the Company, having par value of Rs. 10/- per share, rank paripassu in all respects including voting rights and entitlement to dividend.

(G) Ordinary Shares bought back for the period of five years immediately preceding 31st March, 2024: Nil

(H) Shareholding of promoter

S.No.	Promoter's name	As at 31.03.2024		As at 31.03.2023		% Change during the year
		No. of shares	% of total shares	No. of shares	% of total shares	
1	Vijay Sharma	4,20,000.00	34.71%	4,20,000.00	34.71%	-
2	DUC Education Foundation	87,500.00	7.23%	2,74,900.00	22.72%	68.17
3	Amrac Real Estate Fund - I	4,00,000.00	33.06%	4,00,000.00	33.06%	-



Signature of Vijay Sharma

 Chief Executive Officer

Elitecon International Limited
CIN : L16000DL1987PLC396294
152, Shivani Apartments, Plot No. 63, I.P. Extension, Patparganj, Delhi - 110092

Notes to the Financial Statements

Note 10:- Borrowings

Particulars	Non-Current		Current		(₹ in Lakhs)
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023	
	Unsecured				
Loan from related parties	5,935.01	5,564.07	-	-	
Loans from Others	8,298.72	527.77	-	-	
Total	14,233.73	6,491.84	-	-	

Terms of borrowings:

The above loans are repayable after a moratorium period from 1 to 3 years plus extension period as mutually agreed with the parties. The loan carries interest @ 9% p.a. payable after moratorium period.

Note 11:- Lease liabilities

The Company's significant leasing arrangements are in respect of Land and Building/ Shed for non-residential purpose. The amount of ROU assets and lease liabilities recognized in Balance Sheet are disclosed in Note No. 9 and Note No. 11 respectively.

Particulars	As at 31.03.2024		As at 31.03.2023	
	Non-Current	Current	Non-Current	Current
Lease liabilities	50.60	19.90	57.10	56.87
Total	50.60	19.90	57.10	56.87

Movement of lease liabilities during the year

Particulars	As at 31.03.2024	As at 31.03.2023
	31.03.2024	31.03.2023
Opening lease liabilities	113.97	45.97
New leases recognized	70.50	107.40
Re-measurements and withdrawals	(82.63)	-
Interest expense on Lease Liabilities	2.98	8.50
Payment of Lease Liabilities made	(34.32)	(47.90)
Foreign Currency Translation Reserve adjustment	-	-
Closing balance of Lease Liabilities	70.50	113.97

The maturities of lease liabilities including interest thereon over the remaining lease term is as follows:

Particulars	As at 31.03.2024	As at 31.03.2023
	31.03.2024	31.03.2023
Less than one year	-	23.64
More than one year and less than three years	70.50	90.33
Total	70.50	113.97

Note 12:- Provisions-Non current

Particulars	As at 31.03.2024	As at 31.03.2023
	31.03.2024	31.03.2023
Provision for gratuity	1.10	3.70
	1.10	3.70





 Chief Executive Officer

Notes to the Financial Statements

Note 13:- Trade payable (₹ in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Sundry Creditors for:		
(a) Material & Supplies		
(i) total outstanding dues of micro enterprises and small enterprises	-	0.88
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises.	3,598.84	5,250.21
(b) Services & others		
(i) total outstanding dues of micro enterprises and small enterprises	-	7.36
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises.	27.09	14.45
Total	2,625.93	5,272.95

In accordance with Notification issued by the Ministry of Corporate Affairs, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Development Act, 2006. Disclosure under section 22 of the Act, is as under -

Particulars	As at 31.03.2024	As at 31.03.2023
(a) Principal amount due at the year end	-	8.29
(b) Interest due on the principal amount unpaid at the year end	-	-
(c) Amount of interest paid by the company in terms of section 16 of the MSMED Act, 2006 along with the amount of payment made to the supplier beyond the appointed day during the accounting year	-	-
(d) Amount of interest due and payable for the period of delay in making payment which has been paid but beyond the appointed day during the year, but without adding the interest specified under MSMED Act, 2006	-	-
(e) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-
Total	-	8.29

Trade Payables Ageing Schedule: 31.03.2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	165.40	215.80	2,144.78	-	2,625.98
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	165.40	215.80	2,244.78	-	2,625.98

Trade Payables Ageing Schedule: 31.03.2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	8.29	-	-	-	8.29
(ii) Others	2,068.40	3,195.26	-	-	5,264.66
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	2,077.69	3,195.26	-	-	5,272.95



Note 14:- Other current liabilities (₹ in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Current portion of Long Term Borrowings	-	-
Duties & taxes	3.87	192.80
Expenses Payable	8.31	9.16
Other payables	22.83	20.30
Revenue received in advance	3,809.46	3,940.40
Total	1,924.47	4,162.26

Note 15:- Provisions-Non current

Particulars	As at 31.03.2024	As at 31.03.2023
Provision for gratuity	0.01	0.02
Total	0.01	0.02





 Chief Executive Officer

Elitecon International Limited
CIN : L16000DL1987PLC396234

152, Shivani Apartments, Plot No. 63, I.P. Extension, Patparganj, Delhi - 110092

Notes to the Financial Statements

Note 16:- Revenue from operations

(₹ in Lakhs)

Particulars	Year ended	Year ended
	31.03.2024	31.03.2023
Sale of products	5,682.35	5,796.40
a) Tobacco Products	2,976.68	5,796.40
b) Others	2,705.67	
Other operating revenues	-	-
Total	5,682.35	5,796.40

Note 17:- Other Income

(₹ in Lakhs)

Particulars	Year ended	Year ended
	31.03.2024	31.03.2023
Derecognition of Lease Liability	5.06	-
Profit on Sale of Property Plant & Equipment	3.06	0.40
Exchange Fluctuation Gain	-	4.23
Other non-operating income	0.66	32.18
Total	8.78	36.81

Note 18:- Cost of material consumed

(₹ in Lakhs)

Particulars	Year ended	Year ended
	31.03.2024	31.03.2023
Consumption of raw material		
Opening Stock	2,343.93	2,235.41
Add: Purchases	5,175.23	12,395.34
Less: Closing Stock	3,168.78	2,343.93
Total	4,350.38	12,286.82

Note 19:- Changes in Inventories of Finished Goods and Works in Progress

(₹ in Lakhs)

Particulars	Year ended	Year ended
	31.03.2024	31.03.2023
Opening Stock		
Finished Goods	786.94	836.40
Work in progress	-	-
	(A) 786.94	836.40
Closing stock		
Finished Goods	789.69	786.94
Work in progress	-	-
	(B) 789.69	786.94
Total (A-B)	(2.75)	49.46




ELITECON INTERNATIONAL LIMITED
 Chief Executive Officer

Notes to the Financial Statements

Note 20:- Employee benefits expense

(₹ in Lakhs)

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Salaries and wages	225.27	368.02
Contribution to provident and other Funds	6.01	5.94
Staff welfare	0.99	7.57
Directors' Remuneration	8.65	54.60
Gratuity Expense	0.94	3.72
Total	241.86	437.85

Note 21:- Finance cost

(₹ in Lakhs)

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Interest on borrowings	45.45	25.30
Interest on Lease Liability	2.98	8.50
Bank Charges	0.30	2.52
Total	48.73	36.32

Note 22:- Other expenses

(₹ in Lakhs)

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Manufacturing Costs		
Power & Fuel	29.18	38.15
Freight, Cartage & Custom Clearance Charges	41.20	124.18
Job Work Charges and Labour	33.18	59.07
Repairs-Plant & Machinery	7.37	14.49
Testing Charges	-	-
Stores, Consumables & Packing	13.59	71.14
Other Expenses		
Communication Expenses	0.60	1.26
Computer Expense	0.33	-
Bad Debts	1.50	-
Fees & Subscriptions	0.38	3.18
Legal, professional and consultancy charges	26.80	95.83
Director's sitting Fees	-	2.38
Exchange Fluctuation Expenses	92.09	-
Loading & Unloading Expenses	0.32	0.78
BSE Annual Fees and Depository Expenses	13.03	3.23
Interest and penalty	0.23	-
Insurance Expenses	4.62	9.20
Miscellaneous expenses	7.62	0.58
Office Expenses	6.73	2.83
GST, Cess, Excise duty & NCCD	-	-
Duty and Taxes	0.08	1.30
Payment to statutory auditors*	-	-
- for statutory audit	6.00	6.50
- for certification/limited review	1.05	1.00
Secretarial Audit Fees	-	0.15
Printing, Postage, Telegram & Courier Expenses	0.49	1.33
† Voting Charges	-	0.05
Repair & Maintenance Machinery	1.69	5.84
Repair & Maintenance Land & Building	-	12.82
Rent	29.08	33.70
Notes & Taxes other than taxes on Income	0.43	9.11
Relationship Expense	9.44	-
Recruitment Expenses	1.35	-
Security Expenses	11.31	20.78
Travelling Expenses	10.10	5.92
Advertising & Publicity Expenses	2.31	1.73
Freight & Forwarding Expenses	21.14	77.39
Total	366.81	404.12

*Note: Payment to auditors

- for statutory audit	6.00	6.50
- for company law matters	-	-
- for taxation matters-tax audit	-	-
- for others-certification/limited review	1.05	1.00
Total	7.05	7.50




CHIEF EXECUTIVE OFFICER
 ELITECON INTERNATIONAL LIMITED

Notes to the Financial Statements

Note 23:

1) Contingent Liabilities and Commitments (to the extent not provided for)

Particulars	(₹ in Lakhs)	
	As at 31.03.2024	As at 31.03.2023
(i) Contingent Liabilities		
a) Claims against the company not acknowledged as debt	-	-
b) Guarantees excluding financial guarantees	-	-
c) Other money for which the company is contingently liable:		
- Income Tax Appeal: Demanded due to assessment proceeding u/s 147*	122.48	122.48
d) Seizure of goods u/s 110 of the Customs Act 1962**	80.00	80.00
Total	202.48	202.48

* The Income Tax Department had passed an order dated 30.02.2023 under Section 147 read with Section 144 of the Income tax Act, 1961 ("the Act") pertaining to A.Y. 2018-19 by making an addition to the income for Rs. 89.99 Lakhs. The Company has received a notice of demand for Rs. 122.48 Lakhs under Section 156 of the Act. The management has decided to contest such order and is currently under consideration with CIT (Appeals).

** On 19th October 2022, the Central Intelligence Unit, Mumbai Zone - I, Department of Customs ("the Department") have seized the goods attempted to be exported by the company vide S/B No. 4205537 and S/B No. 4208748 Dated 15.08.22 by exercising their powers conferred to section 110 of the customs Act 1962. The IDB value of such goods to be exported were Rs. 500.37 Lakhs. The Company had filed a Writ Petition No. 12250 of 2022 against the seizure order with Hon'ble Bombay High Court. The Company had also filed an Interim Application 1284 of 2023 for provisional release of goods whereby on 19th January 2023, the Department has agreed for provisional release of goods upon furnishing of bond of 100% value of seized goods backed by a Bank Guarantee of Rs. 80.00 Lakhs. The investigation is pending for adjudication with the Department whereas the concerned writ petition is under sub-judice with Hon'ble Court.

Particulars	(₹ in Lakhs)	
	As at 31.03.2024	As at 31.03.2023
(ii) Commitments		
a) Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
b) Uncalled liability on shares and other investments partly paid	-	-
c) Other Commitments	-	-
Total	-	-

Particulars	(₹ in Lakhs)	
	As at 31.03.2024	As at 31.03.2023
2) Earnings per Share		
(i) Profit / (Loss) for the year	478.01	(7,818.11)
(ii) Weighted average number of Ordinary shares outstanding for the purpose of basic earnings per share	12,10,000	12,10,000
(iii) Weighted average number of Ordinary shares in computing diluted earnings per share	12,10,000	12,10,000
(iv) Earnings per share on profit for the year (Face Value Rs. 10.00 per share)		
- Basic (₹) [(i)/(ii)]	39.51	(646.12)
- Diluted (₹) [(i)/(iii)]	39.51	(646.12)

Particulars	(₹ in Lakhs)	
	2023-2024	2022-23
3) Employee Benefits		
Defined Contribution Plans		
Amount recognized as expenses in defined contributions plans:		
Contribution to Provident Fund (PF) and Employees' State Insurance Corporation (ESIC)	6.01	3.98

Defined Benefit Plans
Gratuity Benefits
 The liabilities arising in the Defined Benefit Schemes are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method.

Components of Employer Expenses	(₹ in Lakhs)	
	As at 31.03.2024	31.03.2023
Recognized in Statement of Profit and Loss		
Current Service Cost	3.67	3.72
Past service Cost	-	-
Net Interest Cost	(3.27)	-
Total Expenses Recognized in Statement of Profit and Loss (A)	0.40	3.72
Effects recognized in Other Comprehensive Income		
Retains on plan assets (greater)/ less than the expected return	-	-
Actuarial (Gain) / loss due to demographic assumptions	-	-
Actuarial (Gain) / loss due to financial assumptions	0.01	-
Changes in asset ceiling	-	-
Actuarial (Gain) / loss due to experience on DBO	(3.57)	-
Net actuarial loss / (gain) for the year recognized in Other Comprehensive Income (B)	(3.55)	-
Total defined benefit cost recognized in the Statement of Profit and Loss and Other Comprehensive Income (A+B)	(3.15)	3.72

Particulars	(₹ in Lakhs)	
	As at 31.03.2024	31.03.2023
Net Asset/(Liability) recognized in Balance Sheet		
Present value of Defined Benefit Obligation	1.11	3.72
Fair Value of Plan Assets	-	-
Status (Surplus) / (Deficit)	(1.11)	(3.72)
Restrictions on Asset Recognized	-	-
Net Asset/(Liability) recognized in Balance Sheet	(1.11)	(3.72)




ETECON INTERNATIONAL LIMITED
 Chief Executive Officer

Notes to the Financial Statements

	As at 31.03.2024	As at 31.03.2023
Reconciliation of Defined Benefit Obligation (DBO)		
Present Value of DBO at the beginning of the year	3.72	-
Current Service Cost	0.67	3.72
Past Service Cost	-	-
Interest Cost	0.27	-
Actuarial Loss / (Gain) - demographic	-	-
Actuarial Loss / (Gain) - financial	0.01	-
Changes in asset ceiling (excluding interest income)	-	-
Actuarial Loss / (Gain) - experience	(1.57)	-
Loss / (Gain) on Commitments	-	-
Loss / (Gain) on settlements	-	-
Effects of acquisition / merger	-	-
Transfer In/(Out)	-	-
Benefit payments directly by employee	-	-
Benefit payments from plan assets	-	-
Total Actuarial Loss / (Gain)	-	-
Exchange differences on foreign plans	-	-
Present value of DBO at the end of the year	1.33	3.72

	As at 31.03.2024	As at 31.03.2023
Composition of the Plan Assets		
Government of India Securities	-	-
State Government Securities	-	-
High Quality Corporate Bonds	-	-
Equity Shares of listed Companies	-	-
Property	-	-
Special Deposit Scheme	-	-
Policy of Insurance	-	-
Bank Balance	-	-
Other Investments	-	-
Total	-	-

Basis used to determine the Expected Rate of Return on Plan Assets

Discount Rate: The rate used to discount other long term employee benefit obligation (both funded and unfunded) have been determined by the reference to market yield at the Balance Sheet Date on government bonds. The currency and term of the government bond shall be consistent with currency and estimated term of the post-employment benefit obligation.

Rate of Return on Plan Assets: Interest income on plan assets is calculated using the expected rate of return and the assets at the beginning of the period.

Withdrawal Rates: withdrawal rates takes into account the board economic outlook, type of sector the company operates in and measures taken by the management to retain/revive the employees.

Sensitivity Analysis

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

Sensitivity to key assumptions	% change compared to base due to sensitivity (23-24)	% change compared to base due to sensitivity (22-23)	As at	
			31.03.2024	31.03.2023
Discount rate: Increase by 1 %	-8.13%	-8.08%	1.02	1.42
Decrease by 1 %	9.28%	9.17%	1.21	1.26
Salary growth rate: Increase by 1 %	9.75%	9.54%	1.22	4.08
Decrease by 1 %	-8.63%	-8.52%	1.01	3.40
Attrition rate: Increase by 1 %	-8.37%	-12.84%	1.02	3.24
Decrease by 1 %	5.02%	10.20%	1.17	4.13
Mortality Rate: Increase by 3%	0.45%	0.33%	1.11	3.73
Decrease by 1 %	-0.48%	-0.33%	1.10	3.71

Past Service wise Distribution

Past Service	Benefits Payable	Benefits Payable
1 Year	0.01	0.02
2 to 5 Years	0.41	1.30
6 to 10 Years	0.66	2.70
above 10 Years	1.24	3.55
Total	2.32	7.68

4) Categories of Financial Instruments

Particulars	Note No.	(₹ in Lakhs)			
		As at 31.03.2024		As at 31.03.2023	
		Carrying Value	Fair Value	Carrying Value	Fair Value
A. Financial Assets					
a) Measured at amortized cost					
Cash and cash equivalents	7	182.32	182.31	19.92	19.92
Investments		-	-	-	-
Loans		-	-	-	-
Other financial assets		-	-	-	-
Trade Receivables	5	1,563.56	1,563.54	1,087.00	1,087.00
Total		1,745.88	1,745.85	1,107.92	1,107.92



Notes to the Financial Statements

ii) Measured at Fair Value through OCI

ci) Measured at fair value through Profit or Loss

	2024	2023	2022	2021
Total Financial Assets	1,708.88	1,745.88	1,107.51	1,107.52
8. Financial Liabilities				
a) Measured at amortized cost				
- Borrowings	9	14,238.73	14,238.73	6,491.84
- Lease liabilities	10	70.50	70.50	113.97
- Other financial liabilities				
- Trade Payables	13	1,625.93	2,675.97	5,272.95
Total Financial Liabilities	16,930.16	16,940.18	11,878.76	11,878.76

5) Fair Value Measurement

Fair Value Hierarchy

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

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature.

The fair value of Roli asset and lease liabilities has been determined on the basis of valuation carried out at the reporting date by registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017 and the same has been categorized as level-3 based on the valuation techniques used and inputs applied. The lease liability has been determined at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application.

6) Financial risk management objectives

The Company aims at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations by having a system-based approach to risk management, anchored to policies and procedures of the Company. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with the applicable regulations.

Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

Particulars	₹ (in Lakhs)	
	As at 31.03.2024	As at 31.03.2023
(a) Value of Import on CIF Basis		
i) Capital Goods:		
- Cost of Machinery	-	-
- Custom Duty	-	-
- Freight and forwarding	-	-
Total	-	-
ii) Raw Materials & Spare parts		
- Raw Material Cost	77.79	145.89
- Custom Duty	-	12.80
- Freight and forwarding	2.74	8.18
Total	80.53	166.87
(b) Expenditure in Foreign Currency		
(i) Capital goods	-	-
(ii) Raw material & Spare parts	-	-
(iii) Others (Advance to supplier)	-	-
Total	-	-
(c) Earnings in foreign currency		
(i) Sales (Export)	1,879.51	5,835.01
Total	1,879.51	5,835.01

Credit Risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted.

Liquidity Risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.



Chief Executive Officer

Notes to the Financial Statements

7) Related Party Disclosures

i. List of Related Parties

1. Key Management Personnel

Vipin Sharma	Managing Director
Dhyanesh Ray	Director (Executive), Appointment w.e.f. 24.06.2023
Upmanyu Pathak	Additional Director and CEO, Resigned on 23.06.2023
Lalit Kumar Gaur	Director (Executive), Resigned on 30.07.2022
Chetna	Chief Financial Officer, Appointment w.e.f. 26.03.2022
Sonia Shrivastha	Company Secretary and Compliance Officer, Resigned on 19.03.2024
Neha Anuj	Company Secretary and Compliance Officer, Resigned on 16.11.2023

ii. Enterprises where control exist by Key Management Personnel

Lemon Electronics Limited
Mridal Tobac INC (Prop. Mr. Vipin Sharma)
Pandokhar Food LLP
Golden Tobac Limited

7. Disclosure of transactions with related parties and outstanding balances as at 31st March, 2023

(₹ in Lakhs)

	Transaction during the year		Closing balance as at	
	2023-24	2022-23	31.03.2024	31.03.2023
i) Lemon Electronics Limited				
Loan taken	-	-	-	-
Repayment of Loan	-	1,323.35	-	-
ii) Mridal Tobac INC (Prop. Mr. Vipin Sharma)				
Loan taken	-	5,481.95	919.67	957.55
Repayment of Loan	37.88	4,728.43	-	-
Remuneration	11.86	78.00	1.14	-
iii) Pandokhar Food LLP				
Loan taken	40.50	4,232.40	5,015.28	5,006.52
Repayment of Loan	31.74	638.73	-	-
iv) Golden Tobac Limited				
Sales	12.38	74.56	-	-
Purchases	1.85	1,590.24	-	-
Purchase of PPE	-	830.71	-	-
Amount received against sales	159.44	181.82	-	-
Payment against purchases	-	2,678.15	-	-
v) Lalit Kumar Gaur				
Remuneration	-	12.60	-	-
vi) Neha Anuj				
Remuneration	8.20	9.60	6.78	-
Salary advance	-	0.36	-	0.26
viii) Upmanyu Pathak				
Remuneration	2.68	14.80	-	-
ix) Chetna				
Remuneration	0.97	0.45	0.19	-

b) All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013.

8) Details of loans granted to Promoters, Directors, KMP's and Related Parties:

(a) Repayable on Demand

Type of borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans
Promoter	-	-
Directors	-	-
KMP's	-	-
Related Parties	-	-

(b) Without specifying any terms or period of repayment


Type of borrower	Amount of loan or advance in the nature of loan outstanding	Percentage in the total loans and advances in the nature of loans
Promoter	-	-
Directors	-	-
KMP's	-	-
Related Parties	-	-

10) Segment Information:

The Company has identified two reportable segments viz., Tobacco products, Agro Composites, after taking into account the nature of product and services and the differing risk and returns on such products and services. The accounting policies adopted for segment reporting are in line with the accounting policy of the company with following additional policies for segment reporting:

- (i) Revenue and expenses have been identified to a segment on the basis of relative to operating activities of the segment. Revenue and expenses that relates to enterprise as a whole and are not allocable to a segment on a reasonable basis have been disclosed as "Un-allocable".
- (ii) Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Un-allocable".




CHETNA
 CHIEF FINANCIAL OFFICER

Notes to the Financial Statements

(ii) Segment Information:

Particulars	31st March 2024	31st March 2023
Segment Revenue:-		
a) Tobacco Products	2,976.88	5,798.40
b) Agro Commodities	2,785.87	-
c) Unallocable	-	-
Total Revenue	5,682.35	5,798.40
Segment Results		
(Profit/ loss before interest and taxes)		
a) Tobacco Products	298.87	(7,784.90)
b) Agro Commodities	214.78	-
Less: Interest	68.73	36.32
Less: Other Un-allocable expenditure (net)	-	-
Total Profit Before	464.92	(7,821.22)
Segment assets		
a) Tobacco Products	1,465.25	8,624.51
b) Agro Commodities	76.78	-
c) Unallocable	5,394.15	-
Total	11,916.18	8,624.51
Segment liabilities		
a) Tobacco Products	1,477.89	16,044.78
b) Agro Commodities	148.04	-
c) Unallocable	14,229.81	-
Total	16,855.74	16,044.78
Capital employed		
a) Tobacco Products	3,017.30	(7,420.28)
b) Agro Commodities	(121.28)	-
c) Unallocable	(9,895.66)	-
Total	(6,999.56)	(7,420.28)

M) Secondary Segment Information:-

The Company does not have secondary segment division in respect of reportable segments.

11) The Company is not a declared willful defaulter by any bank or financial institution or other lender.

12) The Company has not entered into any transactions with Companies struck off under Section 248 of the Companies Act, 2013 or Section 248 of Companies Act, 1956.





 Chief Executive Officer

Notes to the Financial Statements

13) Financial Ratios

Ratio	Numerator	Denominator	As at 31.03.2024	As at 31.03.2023	% Variance	
Current Ratio (in times)	Current Assets	Current Liabilities	2.47	0.78	216.27	due to decrease in trade payable and lease liabilities
Debt-Equity Ratio (in times)	Total Debt	Shareholder's Equity	(2.05)	(0.87)	(134.44)	Negative shareholder's fund and increase in borrowings
Debt-Service Coverage Ratio (in times)	Earning for Debt Service = Net Profit before taxes + Non-cash operating expense+Interest	Debt service = Interest & Lease Payments + Principal Repayments	8.68	(5.87)	207.27	Due to profits in current year
Return on Equity (in %)	Net Profit after tax	Average Shareholder's Equity	-6.60%	-222.66%	-97.61	Due to profits in current year
Inventory Turnover Ratio (in times)	Sales	Average Inventory	1.60	1.87	(14.27)	---
Trade Receivable Turnover Ratio (in times)	Total Sales	Closing Trade Receivables	3.63	5.23	(31.81)	due to increase in trade receivables
Trade payables turnover ratio (in times)	Total Purchases	Closing Trade Payables	1.87	2.35	(16.34)	due to decrease in purchases
Net Capital Turnover Ratio (in times)	Net Sales	Average working capital	0.85	(2.79)	136.78	due to working capital increase in current year
Net Profit Ratio (in %)	Net Profit after tax	Net Sales	8.41%	-194.88%	(106.24)	Due to profits in current year
Return on Capital Employed (in %)	Earning before interest and taxes	Capital Employed = Net Worth + Total Debt + Deferred Tax Liability	7.01%	-891.71%	(100.73)	Due to profits in current year
Return on Investment (in %)	Income from Investments	Weighted average investments	0.00%	0.00%	N.A.	N.A.

14) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies) including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

15) The Company has not received any advance from any person(s) or entity(ies), including foreign entities (funding party) with the understanding that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of funding party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.






 Chief

Notes to the Financial Statements

- 16) The Company's net worth has been fully eroded. However, having regard financial support from its promoters, the financial statements have been prepared on the basis that the Company is a going concern and that no adjustments are required to the carrying value of assets and liabilities.
- 17) Some of the trade payables, Loans and Other Current Assets are subject to balance confirmation/ reconciliation at the year end. The management is in process of getting balance confirmation from the respective parties. However, reconciliation/ confirmation of these balances is not expected to result in any material adjustments in the stated balances.
- 18) The Company has moved an application for voluntary delisting of its securities from CSE on April 09, 2012. However, the trading in securities has been suspended by the Calcutta Stock Exchange Limited (CSE) w.e.f April 26, 2012 on account of non-payment of Annual Listing Fees.
- 19) The company has complied with the number of layers prescribed under clause (B7) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- 20) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- 21) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 22) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- 23) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- 24) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- 25) On the basis of the total income of the Company, the figures appearing in the financial statements have been rounded off to nearest lakhs. The previous year figures have been regrouped, rearranged and reclassified wherever necessary.

As per our report of even date attached
For V.N. PURDHIT & CO,
Chartered Accountants
FICN: 304040E

O.P. Pareek
Partner
M. No.: 034238
UDIN: 240142388KAUC04293



Vijay Sharma
Managing Director
DIN: 01739519
152, Shivani Apartments,
Plot No. 63,
I.P. Extension, Patparganj,
Delhi-110092

For and on behalf of the Board of Directors of
Elitecon International Limited

Dayanand Ray
Director and CEO
DIN: 01478830
2/A, Pocket 7,
Sector - 82, Noida
201304

Chetna
Chief Financial Officer
PAN: AVEPC8495A

Date: 28th May, 2014
Place: New Delhi