

Date: September 05, 2022

To,
The Listing
Department
BSE Limited
Phirozee Jeejeebhoy
Towers Dalal
Street, 25th Floor
Mumbai - 400 0010

To,
The Calcutta Stock Exchange Ltd.
7, Lyons Range
Kolkata -700 001

Sub: Submission of Annual Report for the Financial Year 2021-22

Dear Sir/Madam,

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, 2022 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)

Managing Director

DIN: 01739519

ENCL: as above



ELITECON INTERNATIONAL LIMITED

35th ANNUAL REPORT 2021-22

REGISTERED OFFICE: B-4, GROUND FLOOR, SHANKAR GARDEN,
VIKASPURI, NEW DELHI -110018

CORPORATE OFFICE: B-4, GROUND FLOOR, SHANKAR GARDEN, VIKASPURI,
NEW DELHI -110018

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Board of Directors

Vipin Sharma

Managing Director

Upmanyu Pathak

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: vnpdelhi@vnpaudit.com

Chief Executive Officer

Upmanyu Pathak

Chief Financial Officer

Chetna

Company Secretary & Compliance Officer

Neha Anuj

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

B-4, Ground Floor, Shankar Garden, Vikaspuri, New Delhi-110018

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

Union Bank of India

ELITECON INTERNATIONAL LIMITED

Regd. Off: B-4, Ground Floor, Shankar Garden, Vikaspuri, New Delhi-110018

CIN: L16000DL1987PLC396234

Phone:- 91-9871761020

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

NOTICE

Notice is hereby given that 35th Annual General Meeting of the Members of Elitecon International Limited will be held at its registered office of the Company at B-4, Ground Floor, Shankar Garden, Vikaspuri, New Delhi-110018 on September 30, 2022 at 11:00 a.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, 2022, including the Audited Balance Sheet as at 31st March, 2022, 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. Appointment of Auditors to fill the Casual Vacancy

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 139(8) and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (The Rules), including any statutory modification(s) or re-enactment thereof for the time being in force, V.N. Purohit & Co., Chartered Accountants, (Firm Registration No. 304040E), be and are hereby appointed as Statutory Auditors of the Company for the Financial Year 2022-2023 to fill casual vacancy caused by resignation of M/s. SAARK & Co. , Chartered Accountants (Firm Registration No. 021758N).

"RESOLVED FURTHER THAT M/s V.N. Purohit & Co., Chartered Accountants, (Firm Registration No. 304040E), be and are hereby appointed as Statutory Auditors of the company for the Financial Year 2022-2023, from the conclusion of this Annual General Meeting till the next Annual General Meeting of the company and that they shall be eligible for re-appointment in the next Annual General Meeting of the Company, and that they shall conduct the statutory audit for the period ended 31st March, 2023, on such remuneration as may be fixed by the Board of Directors in consultation with them."

3. To appoint a director in place of Mr. Vipin Sharma (DIN: 01739519) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. REGULARISATION OF THE APPOINTMENT MR. ISH SADANA (DIN:07141836) AS AN INDEPENDENT DIRECTOR OF THE COMPANY IN THE CATEGORY OF NON- EXECUTIVE INDEPENDENT DIRECTOR

To consider and, if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**: -

"RESOLVED THAT, Mr. Ish Sadana (DIN: 07141836), who was appointed as an Additional Director (Non- Executive Independent Director) with effect from June 27, 2022 in terms of Section 161 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Articles of Association of the Company, approvals and recommendations of the Nomination and Remuneration Committee and that of the Board and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as a Non- Executive Independent Director of the Company not liable to retire by rotation, for a period of five years up to June 27, 2027.

FURTHER RESOLVED THAT any Director or any Key Managerial Personnel (KMP) of the Company be and is hereby severally authorized to file the necessary e-forms with the Registrar of Companies and to do all such acts, deeds and things which are necessary to give effect to the above resolution."

5. REGULARIZATION OF THE APPOINTMENT OF MR. UPMANYU PATHAK (DIN: 06563100) AS A DIRECTOR IN THE CATEGORY OF (EXECUTIVE DIRECTOR- PROFESSIONAL CATEGORY)

To consider and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**: -

"RESOLVED THAT Mr. Upmanyu Pathak (DIN: 06563100) who was appointed by the Board of Directors as an Additional Director (Executive Director- Professional category) of the Company with effect from July 06, 2022 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ("Act") , who is eligible for appointment, be and is hereby appointed as Director of the Company, liable to retire by rotation.

FURTHER RESOLVED THAT any Director or any Key Managerial Personnel (KMP) of the Company be and is hereby severally authorized to file the necessary e-forms with the Registrar of Companies and to do all such acts, deeds and things which are necessary to give effect to the above resolution."

6. REGULARIZATION OF THE APPOINTMENT OF MS. PREETI (DIN: 09662113) AS A DIRECTOR IN THE CATEGORY OF NON- EXECUTIVE INDEPENDENT DIRECTOR.

To consider and, if thought fit, to pass with or without modification, the following resolution as a **Special Resolution**: -

"RESOLVED THAT, Ms. Preeti (DIN: 09662113), who was appointed as an Additional Director (Non- Executive Independent Director) with effect from August 05, 2022 in terms of Section 161 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Articles of Association of the Company, approvals and recommendations of the Nomination and Remuneration Committee and that of the Board and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as a Non- Executive Independent Director of the Company not liable to retire by rotation, for a period of five years up to August 04 , 2027.

FURTHER RESOLVED THAT any Director or any Key Managerial Personnel (KMP) of the Company be and is hereby severally authorized to file the necessary e-forms with the Registrar of Companies and to do all such acts, deeds and things which are necessary to give effect to the above resolution."

7. APPROVAL FOR INCREASE IN AUTHORISED SHARE CAPITAL OF THE COMPANY

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution: -

"RESOLVED THAT in complete subrogation of previous resolution in this regard which was passed by the members of the Company in their meeting held on June 13, 2022 and pursuant to the provisions of Section 13, Section 61(1)(a) read with Section 64 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act"), read with the Companies (Share Capital & Debentures) Rules, 2014, including any statutory modification(s) thereof, and the Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to increase the authorized share capital of the Company from Rs. 10,00,00,000 (Rupees Ten Crore only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10 each to Rs. 20,00,00,000 (Rupees Twenty Crore only) divided into 2,00,00,000 (Two Crore) Equity Shares of Rs. 10 each by creating additional 1,00,00,000 (One Crore) equity shares of Rs. 10 each ranking pari-passu in all respects with the existing equity shares of the Company.

RESOLVED FURTHER THAT the existing Clause V of the Memorandum of Association of the Company be substituted with the following clause:

V. The authorised share capital of the Company is Rs. 20,00,00,000 (Rupees Twenty Crore only) divided into 2,00,00,000 (Two Crore) Equity Shares of Rs. 10 each, with the power to increase or reduce the Capital of the Company and divide the shares in the Capital for the time being into several classes and attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to determine, vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 2013 or by the Articles of Association of the Company for the time being.

RESOLVED FURTHER THAT for the purpose of giving effect to above resolution, any of the Directors or Key Managerial Personnel (KMP) of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed necessary, desirable or expedient and to file, sign, verify and execute all such forms (including e-forms), papers or documents, as may be

required and do all such acts, deeds, matters and things as may be necessary and incidental for giving effect to the aforementioned resolution.”

By Order of the Board of Directors

For **Elitecon International Limited**

Sd/-

NEHA ANUJ

Company Secretary & Compliance Officer

Place: New Delhi

Date: September 05, 2022

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 24, 2022 to the September 30, 2022 (both days inclusive) for the purpose of Annual General Meeting.
4. Additional information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the Directors seeking appointment/ re-appointment/ regularization at the AGM as per Item No 3, 4 and 5 of the aforesaid notice, is furnished as Annexure to the Notice. The Directors have furnished consent/declaration for their appointment/ re-appointment/ regularization as required under the Companies Act, 2013 and the Rules thereunder.
5. 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.
6. 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.
7. Members/Proxies are requested to bring their attendance slips duly filed in along with their copies of Annual Report to the Annual general Meeting.
8. 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.
9. 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.
10. 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.
11. 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.

12. 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.
13. 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.
14. For members who have not registered their e-mail address, physical copies of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting 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 2021-2022 will be available on Company's website <http://www.eliteconinternational.com/> for their download.
15. Members who have not registered their email addresses so far are requested to register their e-mail address for receiving all communications including annual report, notices, circulars etc. from the company electronically.
16. At present the Company's equity shares are listed on the BSE Limited and The Calcutta Stock Exchange Limited. 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 2021- 2022 have been paid to all the aforesaid Depositories.
17. For any assistance or information about shares etc. members may contact the Company.

18. 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 27, 2022 at 9:00 a.m. and ends on September 29, 2022 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 23, 2022, 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	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. 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.
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>
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- 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 27, 2022, 9.00 a.m. to September 29, 2022, 5.00p.m. Please follow the instructions as prompted by the mobile app while voting on your mobile.
19. 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 29, 2022, upto 5:00 p.m. without which the vote shall not be treated as valid.
20. 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 23, 2022. A person who is not a member as on Cut Off date should treat this notice for information purpose only.
21. The shareholders shall have one vote per equity share held by them as on the cut-off date of September 23, 2022. The facility of e-voting would be provided once for every folio/client id, irrespective of the number of joint holders.
22. 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 23, 2022 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
23. 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.

24. 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 23, 2022 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.
25. 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.
26. 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.
27. 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.
28. 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/-

NEHA ANUJ

Company Secretary & Compliance Officer

Date: September 05, 2022

Place: New Delhi

EXPLANATORY STATEMENT

As required under Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to business mentioned under Item Nos. 04 to 07 of the accompanying Notice:

Item No. 04:

The Board of Directors appointed Mr. Ish Sadana (DIN: 07141836,) as an Additional Director, (Non- Executive Independent Director) of the Company with effect from June 27, 2022. Pursuant to the provisions of Section 161(1) of the Act, he holds office up to the date of this AGM and is eligible to be appointed as an Independent Director.

Further details of Mr. Ish Sadana have been given in the Annexure 1 to this Notice. The Board recommends the Resolution at Item No. 4 of this Notice for approval of the Members.

Except for Mr. Ish Sadana and his relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, in the Resolution set out at Item No. 3 of this Notice.

Item No. 05:

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Upmanyu Pathak (DIN: 06563100) as an Additional Director (Executive Director- Professional category) of the Company with effect from July 06, 2022. Pursuant to the provisions of Section 161(1) of the Act, he holds office up to the date of this AGM and is eligible to be appointed as Director, whose office shall be liable to retire by rotation.

Further details of Mr. Upmanyu Pathak have been given in the Annexure 1 to this Notice.

The Board recommends the Resolution at Item No. 5 of this Notice for approval of the Members.

Except for Mr. Upmanyu Pathak and his relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested, in the Resolution set out at Item No. 4 of this Notice.

Item No. 06:

The Board of Directors appointed Ms. Preeti (DIN: 09662113) as an Additional Director, (Non- Executive Independent Director) of the Company with effect from August 05, 2022. Pursuant to the provisions of Section 161(1) of the Act, she holds office up to the date of this AGM and is eligible to be appointed as an Independent Director.

Further details of Ms. Preeti have been given in the Annexure 1 to this Notice. The Board recommends the Resolution at Item No. 6 of this Notice for approval of the Members.

Except for Ms. Preeti and her relatives, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned

or interested, in the Resolution set out at Item No. 5 of this Notice.

Item No.07

Presently the Authorised Share Capital of the Company is Rs. 10,00,00,000 (Rupees Ten Crore only) divided into 1,00,00,000 (One Crore) Equity Shares of Rs. 10 each. The Board of Directors of the Company at its meeting held on September 05, 2022, proposed that for the purpose of infusion of fresh capital in the Company in future, by way of subscription of securities issued by the Company, it is imperative that the Authorised Capital of the Company be increased so as to accommodate issuance and allotment of securities by the Company. Accordingly, it is proposed to increase the Authorised Share Capital of the Company to Rs. 20,00,00,000 (Rupees Twenty Crores only).

Owing to the increase in the Authorised Share Capital of the Company, as explained herein above, Clause V of the Memorandum of Association is also required to be altered. In terms of the provisions contained under Section 61 of the Companies Act, 2013, the Company may alter its memorandum so as to increase the Authorised Share Capital of the Company, if it is so authorized by its Articles of Association and subject to the Company securing consent from its members for such alteration.

The Board recommends the Resolution set out under Item No. 7 of the accompanying Notice, for the approval of the Members of the Company as an Ordinary Resolution.

None of the Directors or any Key Managerial Personnel or any relative of the directors / key managerial personnel of the Company are, in any way concerned or interested, financially or otherwise, in passing of this resolution.

Annexure 1

Additional Information of Directors seeking appointment or re-appointment at the Annual General Meeting as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015:

Name of Director	Mr. Ish Sadana	Mr. Upmanyu Pathak	Ms. Preeti
DIN	07141836	06563100	09662113
Age	37 Years	53 Years	38 Years
Date of Appointment	27/06/2022	06/07/2022	05/08/2022
Nationality	Indian	Indian	Indian
Designation	Professional Non-Executive Independent Director	Professional Category Executive Director	Professional Non-Executive Independent Director
Qualification	Graduate	Graduate	Post Graduate
Expertise in specific functional areas	He is a Graduate in	Mr. Upmanyu Pathak Gaur is a	She is a qualified

	Commerce from Delhi University. He has also done CS from the Institute of Company Secretaries of India & LLB from Meerut University.	graduate and has more than 37 years of vast and rich experience in Tobacco Industry.	associate of the Institute of Company Secretaries of India (ICSI), and a post graduate in Business Economics from Mewar Institute of Management, CCS University (Meerut).
Shares held in the Company	Nil	Nil	Nil
Name of the listed entities in which Director holds Directorships and Membership/Chairmanship of Committees of other Boards along with the listed entities from which the Director has resigned in the past (three) years	<p>Other Directorships:</p> <p>Delta Industrial Resources Limited, Quasar India Limited, Goalpost Industries Limited, Patback Business Limited, Ravi Iron Limited, Plaza Wires Limited, Minda Finance Limited, Akna Medical Private Limited, Vardhman Health Specialties Private Limited</p> <p>Membership/Chairmanship of Committees of other Boards- NIL</p> <p>Listed Entities from which the Director has resigned in the past 3 (three) years: NIL</p>	<p>Other Directorships:</p> <p>NTC Industries Limited, Urenu Impex Private Limited, NTCIL Infrastructure Private Limited, NTCIL Realty Private Limited, NTCIL Real Estate Private Limited, NTCIL Siliguri Estate Private Limited, Lentils Tradecom Private Limited, Vinimay Private Limited, Endive Vinimay Private Limited, Frisee Tradecom Private Limited, Navy Beans Traders Private Limited</p> <p>Membership/Chairmanship of Committees of other Boards - NIL</p> <p>Listed Entities from which the Director has</p>	<p>Other Directorships</p> <p>-NIL</p> <p>Membership/Chairmanship of Committees of other Boards - NIL</p> <p>Listed Entities from which the Director has resigned in the past 3 (three) years:</p> <p>NIL</p>

		resigned in the past 3 (three) years: NTC Industries Limited	
Seeking Appointment/re-appointment	Appointment	Appointment	Appointment
Rotational	Not Applicable	Applicable	Not Applicable
Relationship between Directors inter- se	N.A.	N.A.	N.A.
In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements.	He is a Graduate in Commerce from Delhi University. He has also done CS from the Institute of Company Secretaries of India & LLB from Meerut University.	N.A.	She is a qualified associate of the Institute of Company Secretaries of India (ICSI), and a post graduate in Business Economics from Mewar Institute of Management, CCS University (Meerut).

By Order of the Board of Directors

For **Elitecon International Limited**

Sd/

NEHA ANUJ

Company Secretary & Compliance Officer

Date: September 05, 2022

Place: New Delhi

ELITECON INTERNATIONAL LIMITED

Regd. Off: B-4, Ground Floor, Shankar Garden, Vikaspuri, New Delhi-110018

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 35th Annual General Meeting of the Company being held on Friday, the 30th Day of September at 11.00 a.m. at the Registered Office B-4, Ground Floor, Shankar Garden, Vikaspuri, New Delhi-110018

Please (√) in the box

MEMBER

PROXY

Signature of Shareholder / Proxy

ELITECON INTERNATIONAL LIMITED

Regd. Off: B-4, Ground Floor, Shankar Garden, Vikaspuri, New Delhi-110018

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: B-4, Ground Floor, Shankar Garden, Vikaspuri, New Delhi-110018

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

I/We, being the holder(s) of shares 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 35th Annual General Meeting of the Company, to be held on 30th day of September at 11.00 a.m. at the Registered Office of the Company at B-4, Ground Floor, Shankar Garden, Vikaspuri, New Delhi -110018, 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, 2022, including the Audited Balance Sheet as at 31 st March, 2022, 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.	Appointment of Auditors to fill the Casual Vacancy
3.	To appoint a Director in place of Vipin Sharma DIN 01739519) who retires by rotation and, being eligible, offers himself for re-appointment.
Special Business:	
4.	Regularisation of the appointment Mr. Ish Sadana (DIN:07141836) as an Independent Director of the Company in the category of Non- Executive Independent Director
5.	Regularization the appointment of Mr. Upmanyu Pathak (DIN: 06563100) as a Director in the category of (Executive Director- Professional Category)
6.	Regularization of the appointment of Ms. Preeti (DIN: 09662113) as a Director in the category of Non- Executive Independent Director.
7.	Approval for increase in authorised share capital of the Company.

Signed this day of 2022



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: B-4, Ground Floor, Shankar Garden, Vikaspuri New Delhi-110018



DIRECTORS' REPORT

To

The Members

Your Directors have pleasure in presenting their 35th Annual Report together with the Audited Financial Statements of the Company for the Year ended March 31, 2022.

FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY

The Key highlights of financial results for Elitecon International Limited for the financial year 2021-22 are tabulated below:

(Amount in Rs.)

Particulars	2021-22	2020-21
Revenue from Operations	19,30,45,000	90,000
Other Income	21,76,000	8,70,000
Total Income	19,52,21,000	9,60,000
Less: Total Expenses	18,94,02,000	13,61,000
Profit Before Tax	58,19,000	(4,01,000)
Tax Expenses:		
Current Year Tax	13,41,000	-
Deferred Tax	1,37,000	-
Net Profit After Tax	43,41,000	(4,01,000)

BRIEF DESCRIPTION OF THE COMPANY'S STATE OF AFFAIRS:

During the year under review the Company earned the Profit of Rs. 43,41,000/- (Rupees Forty Three Lakh Forty One Thousand only). As the Company has started a new line of business with new and experienced management, the company is hopeful and optimistic about the increase in revenue of the company in coming years.

GENERAL RESERVE:

The Company has not transferred any amount to the General Reserve for the Financial Year 2021-22.

DIVIDEND:

The Board does not recommend any dividend for the Financial Year 2021-22.

SHARE CAPITAL:

During the Financial Year 2021-2022, the company had issued 1,50,000 (One Lakh

Fifty Thousand Only) Equity shares on Preferential basis. The paid-up equity share capital as on March 31, 2022 was Rs. 1,21,00,000/- (Rupees One Crore Twenty-One Lakhs Only).

Except as stated above, there was no Public Issue, Right Issue, Bonus Issue etc. during the year. The Company has not issued shares with differential voting rights, sweat equity shares nor has it granted any stock options.

CHANGES IN THE NATURE OF BUSINESS:

During the Financial Year 2021-22, there has been a change in the nature of the business of the Company. The Company has changed the it's main objects w.e.f. August 09, 2021. The new business of the Company is as follows:

- a) To carry on the business as producers, cultivators, manufacturers, buyers, seller, importers, exporters, processors and dealers in, all kinds of tobacco, bidies, cigarettes, cigars, smoking and chewing tobacco, snuff grinders, and other products of tobacco, match lights, matches, match boxes and pipes, smoker's requisites, and any other articles required by or which may be convenient to smokers, merchants and box merchants, and to deal in any other articles and things commonly dealt in bytobacconists.
- b) To carry on the business of buying, stocking, selling, exporting, importing, blending, treating, grading, processing or otherwise dealing in raw materials, ingredients, intermediates of any description which are generally required and used in the manufacture of bidies, cigarettes, cigars etc., such as tobacco, tendu leaves, thread, wrapping paper, wrapping materials and packing materials.
- c) To purchase or otherwise acquire and take over the running business and/ or establishment or establishments carrying Business of Bidi, Cigar, Cigarettes, and tobacconist in India or elsewhere and to enter into agreement or agreements with such establishment or establishments for the purpose of acquiring and taking over the stock of raw materials, finished products of tobacco, other articles, things, rights, liabilities and privileges of the said establishment or establishments.
- d) To acquire, register in its own name or purchase out right or on royalty basis the patent rights, trade marks and such other rights and privileges of a running business for the manufacture, process and marketing of bidis, cigarettes, cigars and other tobacco products.

PUBLIC DEPOSITS:

Your 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 2021-22.

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:

Your 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.

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/2022/09/DRAFT-MGT-7-21-22.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 :

Your 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 2021-22 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 2021-22 are as follows:-

S.NO.	NAME	DESIGNATION	PARTICULARS	DATE OF EVENT
1.	Mr. Kuldeep Singh	Chief Financial Officer	Resignation as Chief Financial Officer	18.05.2021
2.	Mr. Dasu Govinda Prasad	Additional Director (Non-Executive Independent Director)	Appointment as Additional Director (Non-Executive Independent Director)	18.05.2021
3.	Ms. Jyoti Bansal	Additional Director (Non-Executive Independent Director)	Appointment as Additional Director (Non-Executive Independent Director)	18.05.2021
4.	Mr. Venkata Ramana Manapragada	Chief Financial Officer	Appointment as Chief Financial Officer	18.05.2021
5.	Ms. Bhavna Seth	CS & Compliance Officer	Resignation as CS & Compliance Officer	31.05.2021
6.	Ms. Chandni Aggarwal	Company Secretary and Compliance Officer	Appointment as Company Secretary and Compliance Officer	01.06.2021
7.	Mr. Venkata Ramana Manapragada	Chief Financial Officer	Resignation as Chief Financial Officer	24.06.2021
8.	Mr. Avaiz Ali	Chief Executive Officer	Appointed as Chief Financial Officer	26.06.2021
9.	Mr. Dasu Govinda Prasad	Additional Director (Non-Executive Independent Director)	Resignation as Additional Director (Non-Executive Independent Director)	06.07.2021

10.	Mr. Lalit Kumar Gaur	Additional Director - Executive Director	Appointment as Additional Director-Executive Director	19.08.2021
11.	Mr. Devanand Vishal Curtorcar	Director and Promoter	Resignation as Director and Promoter	19.08.2021
12.	Mr. Rahul	Additional Director (Non-Executive Independent Director)	Regularised as Independent Director	30.09.2021
13.	Ms. Jyoti Bansal	Additional Director (Non-Executive Independent Director)	Regularised as Independent Director	30.09.2021
14.	Mr. Vipin Sharma	Additional Director-Non-Executive Director	Regularised as Non-Executive Director	30.09.2021
15.	Mr. Lalit Kumar Gaur	Additional Director - Executive Director	Regularised as- Executive Director and as a Whole Time Director	30.09.2021
16.	Ms. Chandni Aggarwal	Company Secretary and Compliance Officer	Resignation as Company Secretary and Compliance Officer	19.10.2021
17.	Mr. Himanshu Gambhir	Company Secretary and Compliance Officer	Appointment as Company Secretary and Compliance Officer	20.10.2021
18.	Ms. Jyoti Bansal	Non-Executive Independent Director	Resignation as Non-Executive Independent Director	21.10.2021
19.	Mr. Achal Kapoor	Additional Director (Non-Executive Independent Director)	Appointment as Additional Director (Non-Executive Independent Director)	22.10.2021
20.	Mr. Lalit Kumar Gaur	Whole-Time Director	Resignation as a Whole-Time Director	27.10.2021
21.	Mr. Dayanand Ray	Additional Director (Executive Director)	Appointment as Additional Director (Executive Director)	28.10.2021
22.	Mr. Himanshu Gambhir	Company Secretary and Compliance Officer	Resignation as Company Secretary and Compliance Officer	09.12.2021
23.	Ms. Neha Anuj	Company	Appointment as	10.12.2021

		Secretary and Compliance Officer	Company Secretary and Compliance Officer	
24.	Mr. Dayanand Ray	Additional Director (Executive Director)	Redesignation as a Whole Time Director and appointment as CFO	02.02.2022
25.	Mr. Avaiz Ali	Chief Executive Officer and Chief Financial Officer	Resignation as Chief Executive Officer and Chief Financial Officer	02.02.2022
26.	Mr. Vipin Sharma	Non-Executive Director	Redesignation as a Managing Director and Chief Executive Officer	02.02.2022
27.	Mr. Rahul	Independent Director	Resignation as Independent Director	24.02.2022
28.	Mr. Dayanand Ray	Whole-time Director & CFO	Resignation as Whole-time Director and CFO	14.03.2022
29.	Mr. Lalit Kumar Gaur	Additional Director (Executive Director)	Appointment as Additional Director (Executive Director)	14.03.2022
30.	Ms. Vandana Gupta	Independent Director	Resignation as Independent Director	22.03.2022
31.	Mr. Haisangi Ramaprabhu Bheemashankar	Additional Director (Non-Executive Independent Director)	Appointment as Additional Director (Non-Executive Independent Director)	22.03.2022

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. Achal Kapoor	Independent Director	Resignation as Independent Director	12.04.2022
2.	Ms. Monam Kapoor	Additional Director (Non-Executive Independent Director)	Appointment as Additional Director (Non-Executive Independent Director)	12.04.2022
3.	Mr. Vipin Sharma	Managing Director and Chief	Regularised as Managing	13.06.2022

		Executive Officer	Director	
4.	Mr. Lalit Kumar Gaur	Additional Director (Executive Director)	Regularised as Executive Director and also appointed as a Whole-Time Director	13.06.2022
5.	Mr. Haisangi Ramaprabhu Bheemashankar	Additional Director (Non-Executive Independent Director)	Regularised as a Non-Executive Independent Director	13.06.2022
6.	Ms. Monam Kapoor	Additional Director (Non-Executive Independent Director)	Regularised as a Non-Executive Independent Director	13.06.2022
7.	Ms. Chetna	Chief Financial Officer	Appointment as Chief Financial Officer	26.05.2022
8.	Mr. Ish Sadana	Additional Director (Non-Executive Independent Director)	Appointment as Additional Director (Non-Executive Independent Director)	27.06.2022
9.	Mr. Haisangi Ramaprabhu Bheemashankar	Non - Executive Independent Director	Resignation as Non - Executive Independent Director	27.06.2022
10.	Mr. Vipin Sharma	Managing Director and Chief Executive Officer	Resigned as Chief Executive Officer	06.07.2022
11.	Mr. Upmanyu Pathak	Additional Director (Executive Director)	Appointment as Additional Director (Executive Director) and also appointed as Chief Executive Officer	06.07.2022
12.	Mr. Lalit Kumar Gaur	Executive Director and also appointed as a Whole-Time Director	Resignation as a Whole-Time Director	30.07.2022
13.	Ms. Preeti	Non - Executive Independent Director	Appointment as Non - Executive Independent Director	05.08.2022

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, Thirty Two(32) 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 05th April 2021 , 19th April 2021, May 12, 2021, 18th May 2021, 01st June 2021, 26th June 2021, June 29, 2021 30th June 2021, 01st July 2021, 09th July 2021, July 16, 2021, August 03, 2021, 14th August 2021, 19th August 2021, 03rd September 2021, 07th September 2021, 20th October 2021, 22nd October 2021, 28th October 2021, November 10, 2021, 14th November 2021, November 28, 2021, November 29, 2021 10th December 2021, December 18, 2021, December 30, 2021 02nd February 2022, 14th February 2022, 24th February 2022, 28th February 2022, 14th March 2022 and 22nd March 2022.

Sr No.	Name of Directors	Designation	No. of Meeting attended
1.	Mr. Dasu Govinda Prasad	Non- Executive Independent Director	2
2.	Ms. Jyoti Bansal	Non- Executive Independent Director	2
3.	Mr. Lalit Kumar Gaur	Executive Director	7
4.	Mr. Devanand Vishal Curtorcar	Director	14
5.	Mr. Rahul	Independent Director	29
6.	Mr. Vipin Sharma	Non-Executive Director	32
7.	Mr. Achal Kapoor	Non- Executive Independent Director	15
8.	Mr. Dayanand Ray	Executive Director Whole-time Director	14
9.	Ms. Vandana Gupta	Independent Director	32
10.	Mr. Haisangi Ramaprabhu Bheemashankar	Non- Executive Independent Director	1

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 2022, the Board had four (4) 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. 14,09,81,000 and total amount of foreign outgo was Rs. 44,72,000.

RELATED PARTY TRANSACTIONS:

The details of the transactions with related parties during the Financial Year 2021-22 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 AND COMMITMENTS:

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 2021-22.

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:

M/s SAARK & Co., Chartered Accountants, (FRN: 021758N), have resigned as the Statutory Auditors of the Company thereby creating a casual vacancy. The Company has received the eligibility certificate from M/s V.N. Purohit & Co, Chartered Accountants (FRN: 304040E) as per section 139 and 141 of the Companies Act, 2013 and considered the same.

The Board of the Company has recommended the appointment of M/s V.N. Purohit & Co , Chartered Accountants (FRN: 304040E), Chartered Accountants, as Statutory Auditors of the Company to fill the casual vacancy from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, subject to the approval of shareholders.

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 2021-22.

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. 2021-22, one (1) meeting of the Independent Directors was held on January 17, 2022. 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 nonexecutive 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:

Your 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 2022 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 2021-22.

AUDIT COMMITTEE:

As on April 01, 2021, the Audit Committee of the Company was constituted of the following members:-

1. Mr. Rahul
2. Ms. Vandana Gupta
3. Mr. Vipin Sharma

The Committee met 4 (Four) times on 30.06.2021 ,14.08.2021, 14.11.2021 and 14.02.2022 during the financial year 2021-22. 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:

As on April 01, 2021, the Nomination and Remuneration Committee of the Company was constituted of the following members:-

1. Mr. Rahul
2. Ms. Vandana Gupta
3. Mr. Vipin Sharma

The Committee met 3 (three) times on 14.08.2021, 25.10.2021 and 31.01.2022 during the financial year 2021-22. The minutes of the meetings of the Nomination and Remuneration Committee were discussed and taken note by the Board of Directors.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

As on April 01, 2021, the Stakeholders Relationship Committee of the Company was constituted of the following members:-

1. Mr. Rahul
2. Ms. Vandana Gupta
3. Mr. Vipin Sharma

The Committee met 4 (Four) times on 09.04.2021, 15.7.2021, 18.10.2021 and 17.01.2022 during the financial year 2021-22. 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:

Your 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:

Your Directors 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. Your 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**

Date: September 05, 2022

(VIPIN SHARMA)

(UPMANYU PATHAK)

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, 2022

[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

B-4, Ground Floor, Shankar Garden, Vikaspuri,

New Delhi-110018

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, 2021 to March 31, 2022 (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, 2022, 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 Debt Securities) Regulations, 2008*; and
13. Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013*

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 with the exception of payment of Annual Listing Fees to the Calcutta Stock Exchange Limited ("CSE") on account of which the trading in securities has been suspended by CSE w.e.f. April 26, 2021. The Company had moved an application for voluntary delisting of its securities from CSE on April 09, 2021.

Further, during the Financial Year 2021-22 there was a non-compliance in respect to appointment of a Company Secretary by the Company...

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	Regulation 14 of Securities and Exchange Board of India (Listing	The Company has not paid Annual Listing fees of The	The trading in securities has been suspended by CSE w.e.f. April 26, 2021	The Company has moved an application for voluntary delisting of

	Limited	Obligations and Disclosure Requirement) Regulations, 2015	Calcutta Stock Exchange Limited (CSE) from the financial year F.Y 2015-2016 onwards.	vide its circular dated April 23, 2021.	its securities from CSE on April 09, 2021 and will pay the dues as part of the Delisting Process.
2.	Ministry of Corporate Affairs	Section 90 of Companies Act, 2013 read with Rule 3 of Companies (Significant Beneficial Owner) Amendment Rules 2019	Delay in filing the Form BEN-2 (Return of Significant Beneficial Owner)	Imposition of Additional fine of Rs. 7200 along with Normal fee of Rs. 600	NIL
3.	Ministry of Corporate Affairs	Section 117 of Companies Act 2013	Delay in filing of Form MGT-14 (resolution with Registrar of Companies)	Imposition of Additional Fine of Rs. 1200 along with Normal Fee of Rs. 600	NIL
4.	Ministry of Corporate Affairs	Section 61 of Companies Act, 2013 read with Companies (Share Capital and Debentures) Second Amendment Rules, 2016	Delay in filing Form SH-7 (Increase in Authorised Capital)	Imposition of Additional Fine of Rs. 57,489 along with Normal Fee of Rs. 6,37,500	NIL

Observation by the Regional Director:

During the Financial Year 21-22 the Company initiated the process of shifting its Registered Office from the State of Assam to the State of NCT of Delhi. Under the process the Company was required to file the Form INC-23 and certain observations were received from the Regional Director (NER) which were duly addressed post which the approval for shifting of Registered Office was granted by the Regional Director.

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. Kuldeep Singh	Chief Financial Officer	Resignation as Chief Financial Officer	18.05.2021
2.	Mr. Dasu Govinda Prasad	Additional Director (Non-Executive Independent Director)	Appointment as Additional Director (Non-Executive Independent Director)	18.05.2021
3.	Ms. Jyoti Bansal	Additional Director (Non-Executive Independent Director)	Appointment as Additional Director (Non-Executive Independent Director)	18.05.2021
4.	Mr. Venkata Ramana Manapragada	Chief Financial Officer	Appointment as Chief Financial Officer	18.05.2021
5.	Ms. Bhavna Seth	CS & Compliance officer	Resignation as CS & Compliance officer	31.05.2021
6.	Ms. Chandni Aggarwal	Company Secretary and Compliance Officer	Appointment as Company Secretary and Compliance Officer	01.06.2021
7.	Mr. Venkata Ramana Manapragada	Chief Financial Officer	Resignation as Chief Financial	24.06.2021

			Officer	
8.	Mr. Avaiz Ali	Chief Executive Officer	Appointed as Chief Financial Officer	26.06.2021
9.	Mr. Dasu Govinda Prasad	Additional Director (Non-Executive Independent Director)	Resignation as Additional Director (Non-Executive Independent Director)	06.07.2021
10.	Mr. Lalit Kumar Gaur	Additional Director - Executive Director	Appointment as Additional Director-Executive Director	19.08.2021
11.	Mr. Devanand Vishal Curtorcar	Director and Promoter	Resignation as Director and Promoter	19.08.2021
12.	Mr. Rahul	Additional Director (Non-Executive Independent Director)	Regularised as Independent Director	30.09.2021
13.	Ms. Jyoti Bansal	Additional Director (Non-Executive Independent Director)	Regularised as Independent Director	30.09.2021
14.	Mr. Vipin Sharma	Additional Director-Non-Executive Director	Regularised as Non-Executive Director	30.09.2021
15.	Mr. Lalit Kumar Gaur	Additional Director - Executive Director	Regularised as-Executive Director and as a Whole Time Director	30.09.2021

16.	Ms. Chandni Aggarwal	Company Secretary and Compliance Officer	Resignation as Company Secretary and Compliance Officer	19.10.2021
17.	Mr. Himanshu Gambhir	Company Secretary and Compliance Officer	Appointment as Company Secretary and Compliance Officer	20.10.2021
18.	Ms. Jyoti Bansal	Non-Executive Independent Director	Resignation as Non-Executive Independent Director	21.10.2021
19.	Mr. Achal Kapoor	Additional Director (Non-Executive Independent Director)	Appointment as Additional Director (Non-Executive Independent Director)	22.10.2021
20.	Mr. Lalit Kumar Gaur	Whole-Time Director	Resignation as a Whole-Time Director	27.10.2021
21.	Mr. Dayanand Ray	Additional Director (Executive Director)	Appointment as Additional Director (Executive Director)	28.10.2021
22.	Mr. Himanshu Gambhir	Company Secretary and Compliance Officer	Resignation as Company Secretary and Compliance Officer	09.12.2021
23.	Ms. Neha Anuj	Company Secretary and Compliance Officer	Appointment as Company Secretary and Compliance Officer	10.12.2021
24.	Mr. Dayanand Ray	Additional Director	Redesignation as a Whole	02.02.2022

		(Executive Director)	Time Director & appointment as CFO	
25.	Mr. Avaiz Ali	Chief Executive Officer and Chief Financial Officer	Resignation as Chief Executive Officer and Chief Financial Officer	02.02.2022
26.	Mr. Vipin Sharma	Non-Executive Director	Redesignation as a Managing Director and Chief Executive Officer	02.02.2022
27.	Mr. Rahul	Independent Director	Resignation as Independent Director	24.02.2022
28.	Mr. Dayanand Ray	Whole-time Director and CFO	Resignation as Whole-time Director and CFO	14.03.2022
29.	Mr. Lalit Kumar Gaur	Additional Director (Executive Director)	Appointment as Additional Director (Executive Director)	14.03.2022
30.	Ms. Vandana Gupta	Independent Director	Resignation as Independent Director	22.03.2022
31.	Mr. Haisangi Ramaprabhu Bheemashankar	Additional Director (Non-Executive Independent Director)	Appointment as Additional Director (Non-Executive Independent Director)	22.03.2022

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: A057213D000894324

Date: 02.09.2022

Place: Panipat

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

To
The Members
Elitecon International Limited
B-4, Ground Floor, Shankar Garden,
Vikaspuri, New Delhi-110018

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: A057213D000894324

Date: 02.09.2022

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 2021-22 is 1.61.

(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: 41

(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

(UPMANYU PATHAK)
Whole Time Director

Place: New Delhi

Date: September 05, 2022

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Management Discussion & Analysis

Global Economic Overview

Global growth is projected to slowdown from an estimated 6.1% in 2021 to 3.6% in 2022 and 2023. This is 0.8% points and 0.2% points lower for 2022 and 2023 than in the January World Economic Outlook Update. Beyond 2023, global growth is forecast to decline to about 3.3 percent over the medium term. The revision made for 2023 is due to assumption that the conflict remains confined to Ukraine, further sanctions on Russia exempt the energy sector (although the impact of European countries' decisions to wean themselves off Russian energy and embargoes announced through March 31, 2022, are factored into the baseline), and the pandemic's health and economic impacts abate over the course of 2022.

Global Growth Outlook Projections (in %)

Country/Group	2021	Projected	
		2022	2023
World Output	6.1	3.6	3.6
Advanced Economies	5.2	3.3	2.4
United States	5.7	3.7	2.3
Euro Area	5.3	2.8	2.3
Japan	1.6	2.4	2.3
United Kingdom	7.4	3.7	1.2
Canada	4.6	3.9	2.8
Other Advanced Economies	5	3.1	3
Emerging Markets and Developing Economies	6.8	3.8	4.4
Emerging and Developing Asia	7.3	5.4	5.6
China	8.1	4.4	5.1
India*	8.9	8.2	6.9
ASEAN-5	3.4	5.3	5.9
Emerging and Developing Europe	6.7	-2.9	1.3
Russia	4.7	-8.5	-2.3
Latin America and the Caribbean	6.8	2.5	2.5
Middle East and Central Asia	5.7	4.6	3.7
Sub-Saharan Africa	4.5	3.8	4
Emerging Market and Middle-Income Economies	7	3.8	4.3
Low-Income Developing Countries	4	4.6	5.4

*For India, data and forecasts are presented on a fiscal year basis with FY 2021/22 starting in April 2021. For the April 2022 WEO, India's growth projections are 8.9% in 2022 and 5.2% in 2023 based on calendar year
Source: IMF, World Economic Outlook, April 2022

Advanced Economies Group

The forecast for the United States was already downgraded in January, largely reflecting non-passage of the Build Back Better fiscal policy package and continued supply chain disruptions. The additional 0.3%-point forecast markdown for 2022 in the current round reflects faster withdrawal of monetary support than in the

previous projection—as policy tightens to rein in inflation—and the impact of lower growth in trading partners because of disruptions resulting from the war. The forecast for Canada is marked down 0.2% point, reflecting the withdrawal of policy support and weaker external demand from the United States, which outweigh the lift from favorable terms of trade effects.

The main channel through which the war in Ukraine and sanctions on Russia affect the euro area economy is rising global energy prices and energy security. Because they are net energy importers, higher global prices represent a negative terms-of-trade shock for most European countries, translating to lower output and higher inflation. Euro area GDP growth in 2022 is revised down to 2.8% (1.1% points lower than in January), with the biggest downgrades in economies such as Germany and Italy with relatively large manufacturing sectors and greater dependence on energy imports from Russia. Across the euro area, the hit to activity is partially offset by increased fiscal support. In the United Kingdom, GDP growth for 2022 is revised down 1% point—consumption is projected to be weaker than expected as inflation erodes real disposable income, while tighter financial conditions are expected to cool investment.

Emerging Market and Developing Economies Group

Emerging and Developing Europe, including Russia and Ukraine, will see GDP contract by approximately 2.9% in 2022, before expanding by 1.3% in 2023. The main drivers of the contraction are the impact of higher energy prices on domestic demand and the disruption of trade, especially for Baltic States, whose external demand will decline along with the contraction in Russia's economy. The influx of refugees is expected to place significant immediate pressure on social services, but eventually the increase in the labor force could help medium-term growth and tax revenues.

Developments in China continue to dominate the outlook for Asia, especially for emerging Asia. As noted, the combination of more transmissible variants and the strict zero-COVID strategy in China has led to repeated mobility restrictions and localized lockdowns that, together with an anemic recovery in urban employment, have weighed on private consumption. Notable downgrades to the 2022 forecast include India (0.8% point), reflecting in part weaker domestic demand—as higher oil prices are expected to weigh on private consumption and investment—and a drag from lower net exports.

Countries in the Middle East, North Africa, Caucasus, and Central Asia regions are highly exposed to global food prices, particularly the price of wheat, which is expected to remain high throughout the year and into 2023. In the Middle East and North Africa, spillovers from tighter global financial conditions, reduced tourism, and secondary demand spillovers (for example, from Europe) will also hold back growth. Overall, GDP in the Middle East and Central Asia is expected to grow by 4.6% in 2022.

In sub-Saharan Africa, food prices are also the most important channel of transmission, although in slightly different ways. Wheat is a less important part of the diet, but food in general is a larger share of consumption. Higher food prices will hurt consumers' purchasing power—particularly among low-income households—and weigh on domestic demand. Social and political turmoil, most notably in West Africa, also weigh on the outlook. Overall, growth in sub-Saharan Africa is projected at 3.8% in 2022.

Forces shaping the near-term global outlook

War in Ukraine: The invasion and resulting sanctions on Russia will have important consequences for the global economy. The baseline forecast assumes that the theater of conflict remains limited to Ukraine and that sanctions on Russia do not tighten beyond those announced by March 31 and remain in place over the forecast horizon.

Monetary tightening and financial market volatility: In the months ahead, policy rates are generally expected to rise further and record-high central bank balance

sheets will begin to unwind, most notably in advanced economies. In emerging market and developing economies, several central banks also tightened policy, adding to those that had already done so in 2021. One exception is China, where inflation remains low and the central bank cut policy rates in January 2022 to support the recovery. Expectations of tighter policy and worries about the war have contributed to financial market volatility and risk repricing.

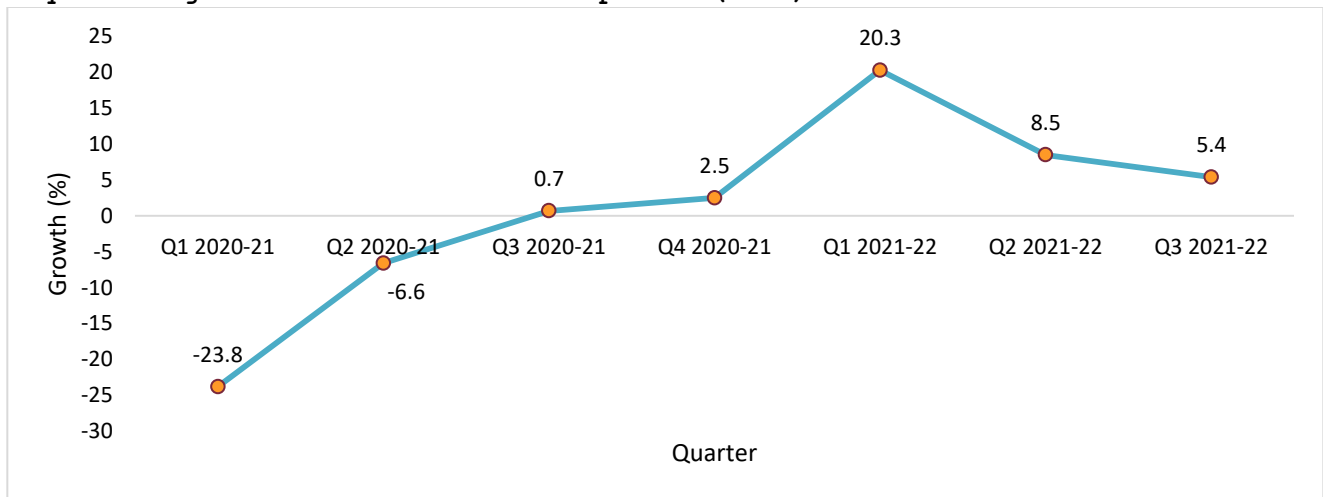
Fiscal Withdrawal: Policy space in many countries has been eroded by necessary higher COVID-related spending and lower tax revenue in 2020-21. Faced with rising borrowing costs, governments are increasingly challenged by the imperative to rebuild buffers. Fiscal support is set to generally decline in 2022 and 2023—particularly in advanced economies—as emergency measures to cushion the impact of the pandemic are wound down.

China’s slowdown: Slowing growth in China’s economy has wider ramifications for Asia and for commodity exporters. The combination of more transmissible variants and a zero-COVID strategy entail the prospect of more frequent lockdowns.

Pandemic and vaccine access: It has been seen that the health and economic impacts of the virus start to fade in the second quarter of 2022 and that hospitalizations and deaths are brought to low levels in most countries by the end of the year. A key assumption is that the virus does not mutate into new strains requiring further restrictions. Most countries will not attain the target of 70 percent full vaccination in 2022. Given vaccination shortfalls in low-income countries, the possibility of renewed outbreaks is a possibility.

Beyond the immediate challenges of the war and the pandemic, policymakers should not lose sight of longer-term goals. Pandemic disruptions have highlighted the productivity of novel ways of working. Governments should look to harness positive structural change wherever possible, embracing the digital transformation and retooling and reskilling workers to meet its challenges.

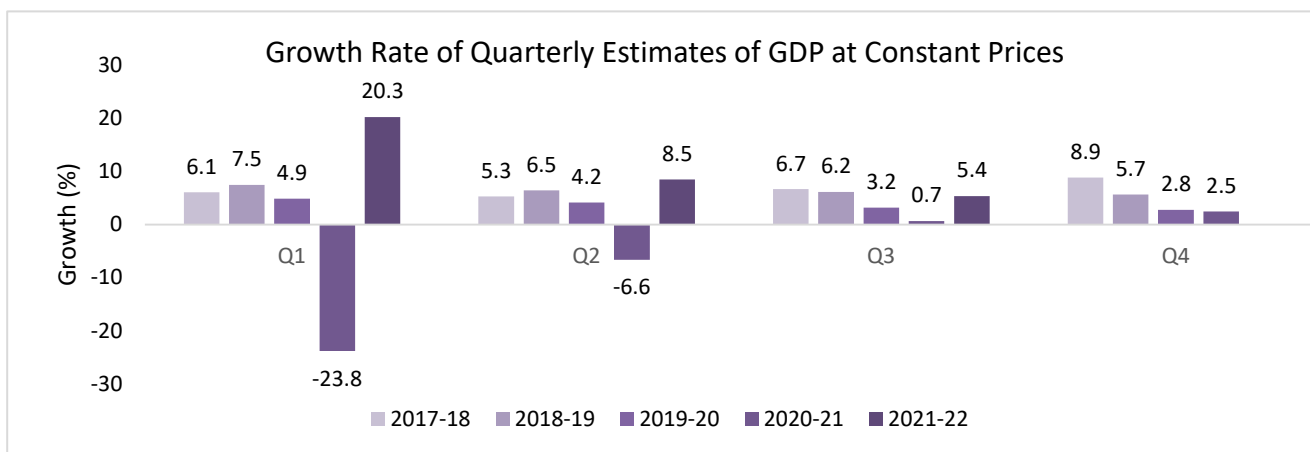
Sequential growth in GDP at constant prices (in %)



Source: MOSPI

India’s economy grew by 8.5% year-on-year in Q2 of FY 22. On a sequential basis (quarter-on-quarter basis), domestic economic output expanded by 10.4%. The easing/removal of lockdowns across states along with the steady decline in covid-19 cases and the higher vaccination rate facilitated higher economic activity and output in the latest quarter.

There are increasing signs of higher level of activity across sectors. This has given rise to optimism that the recovery in the domestic economy is strengthening. Even if the pace of recovery is sustained in the next two quarters, India’s GDP for the year is expected to be only marginally higher than that in FY20.



Source: MOSPI

Even though the domestic Indian Economy has come off the record decline of last year, it is yet to surpass pre-pandemic level in a meaningful manner. When compared with the pre-pandemic period i.e., Q3 FY20, the GDP in Q3 FY22 is only higher by 2%.

There has yet to be a significant and long-lasting increase in demand and investment. Given that the domestic economy was already struggling with low demand and a sluggish investment climate before the pandemic, improvements are projected to be limited and gradual. Furthermore, both domestic and external problems and uncertainties continue to exist. The spike in prices, as well as the underlying threat of new Covid virus types, as well as the concomitant issues of on-and-off restrictions and lockdowns, could be a setback/challenge for both local and global recovery.

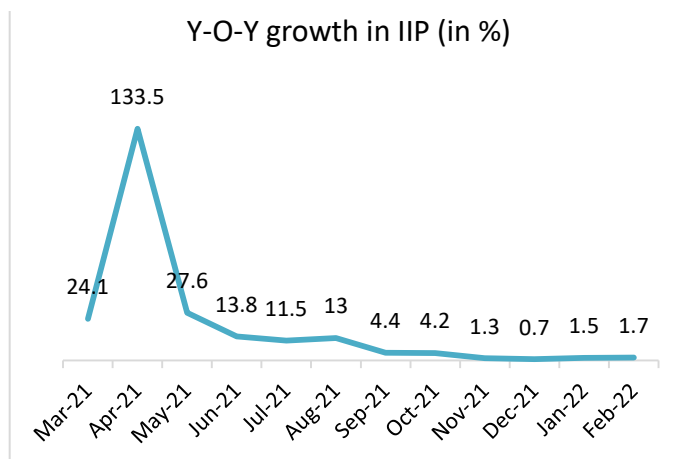
Given the uncertainties surrounding the size of the economic recovery, the RBI is projected to maintain its growth emphasis and maintain its accommodating monetary policy stance even as it moves toward gradual support normalization.

Industrial Growth

Industrial production in India (IIP) grew 1.7 percent year-on-year in February of 2022, advancing from an upwardly revised 1.5 percent rise in the previous month, but missed market expectations of a 2.6 percent rise.

Negative growth in the capital and consumer goods segment has restricted the growth in overall industrial output. Weakening of the base has contributed to slowing momentum in industrial activity from the double-digit growth witnessed during the first five months of FY22.

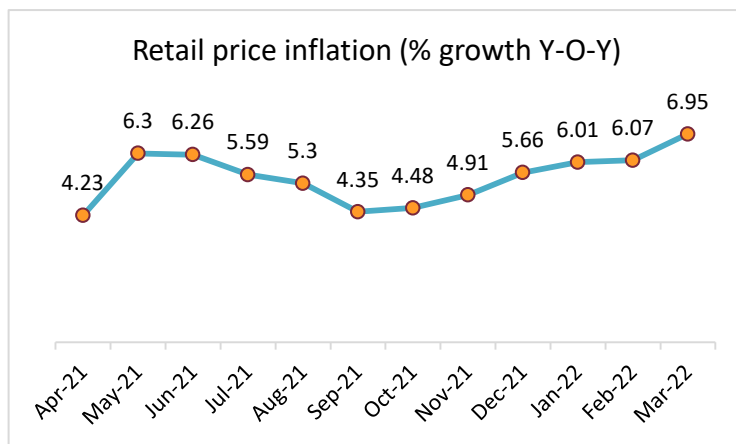
Source: MOSPI



Consumer Price Inflation

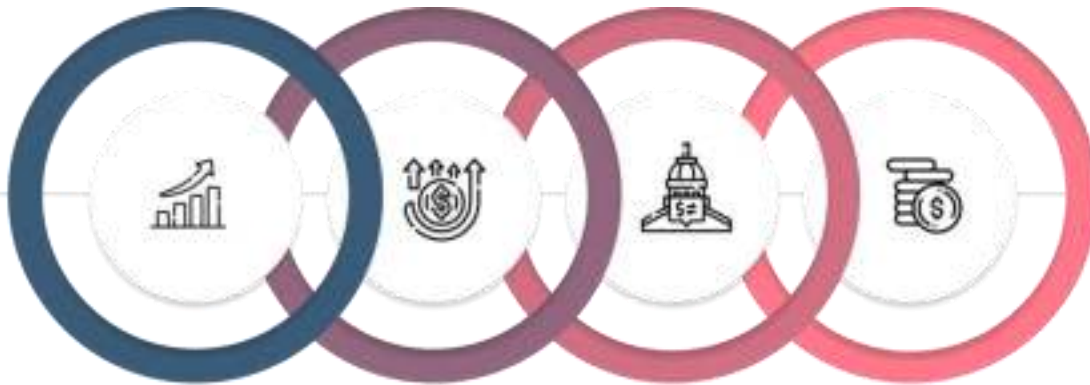
The Consumer Price Index measures the retail inflation the economy by collecting data on change in prices of most common goods and services used by consumers. Annual inflation rate in India increased to 6.95% in March of 2022, the highest since October of 2020, and above market forecasts of 6.35%. The inflation stayed above the 2% to 6% tolerance limit of the central bank for a third month in a row but the full effect of crude oil price rises will be seen in April only as the government delayed the pass-through of energy prices to consumers. The Reserve Bank of India recently revised upwards its inflation forecast to 5.7% for FY 2022-2023 from 5.3%, citing surging commodity prices.

Source: MOSPI



Bank of India recently revised upwards its inflation forecast to 5.7% for FY 2022-2023 from 5.3%, citing surging commodity prices.

Economic Challenges and Policy Priorities



Source:

IMF

Growth
Implement reforms and privatization, support education and employment, liberalize investment

Inflation
Manage inflation pressures while supporting the recovery

Fiscal
Support the recovery while communicating plans for future fiscal consolidation

Financial
Allow bankruptcies of non-viable firms, build capital buffers, recognize problem loans

Road Ahead

India is focusing on renewable sources to generate energy. It is planning to achieve 40% of its energy from non-fossil sources by 2030, which is currently 30% and have plans to increase its renewable energy capacity from to 175 gigawatt (GW) by 2022. In line with this, in May 2021, India, along with the UK, jointly launched a 'Roadmap 2030' to collaborate and combat climate change by 2030.

India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behavior and expenditure pattern, according to a Boston Consulting Group (BCG) report. It is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by 2040 as per a report by PricewaterhouseCoopers.

India's broad variety of fiscal, monetary, and health measures to the crisis aided its recovery and, together with economic reforms, are assisting in mitigating the crisis's longer-term negative effects. Because of increased food and fuel prices, as well as negative terms of trade, inflation is predicted to soar in the next quarters of FY 2022-23. The RBI will most likely lean toward price stability and, as a result, boost policy rates. The next few months will be crucial for India's economy as the government and the Reserve Bank of India try to balance the pressures on inflation, currency, external accounts, and the budget deficit. The good news is that India has been through the pandemic for over two years and has emerged stronger.

Source: IBEF

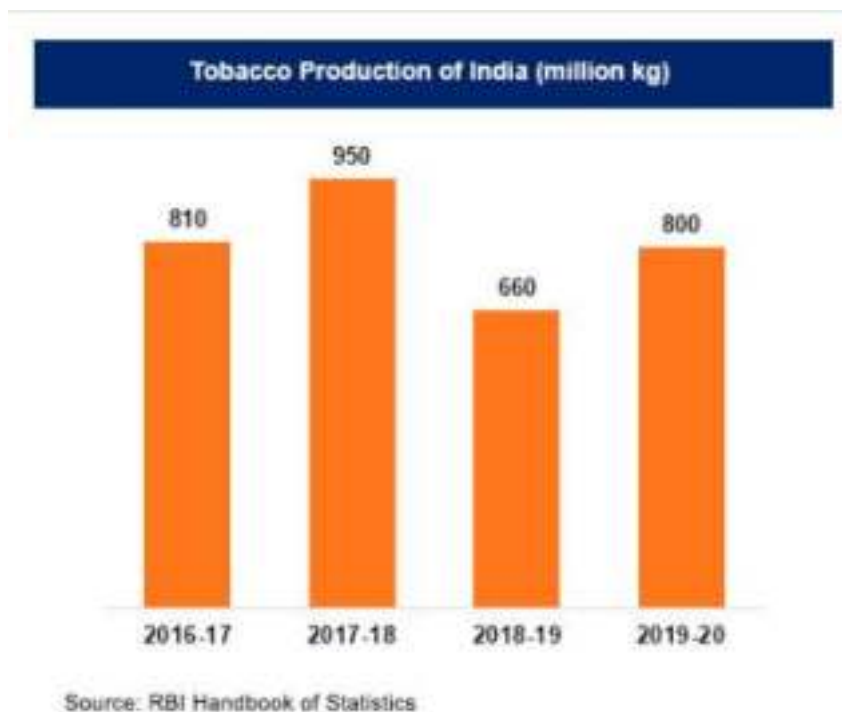
Indian Tobacco Industry



Introduction

India is the second largest tobacco producer behind 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 production for the last 5 years of the country for tobacco crops was 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.

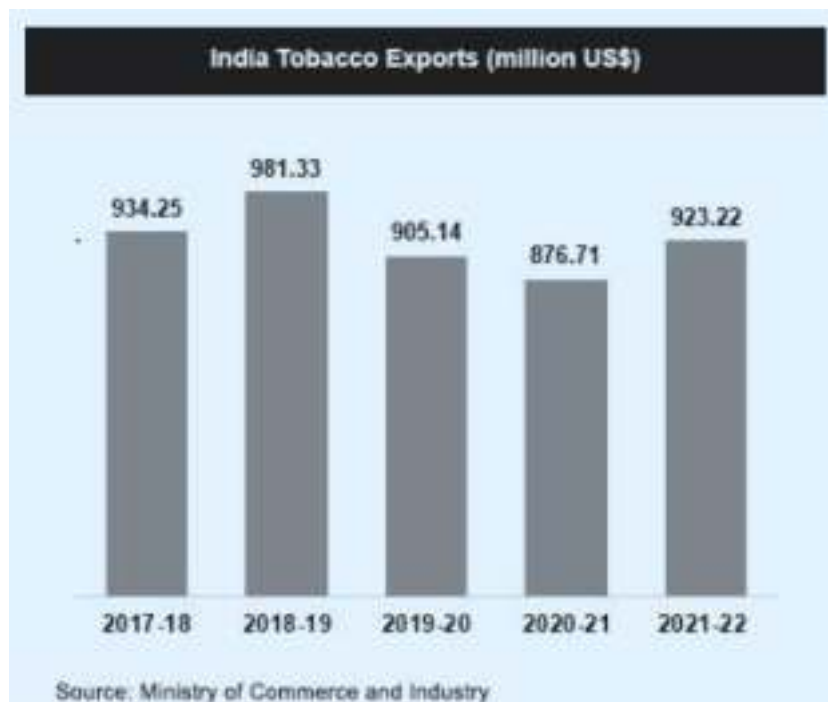
The tobacco industry of India employs about 36 million people in farming, labour activities, manufacturing, processing and export activities. Compared with other tobacco manufacturing countries, India has low production, farming and export cost, making it a popular industry. The Indian manufactured tobacco 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 rest of the state's account for about 2-3% of the country's total tobacco production.

Tobacco Export Trend

India is the 2nd largest exporter of tobacco behind Brazil. It exports various types of tobacco and tobacco products such as stripped, wholly stemmed, cigar cheroots, smoking tobacco, homogenized, flue-cured, sun-cured, extract and essence, FCV tobacco, unmanufactured tobacco and various tobacco products.



During 2021-22, India exported FCV tobacco amounting to 1.11 lakh tonne. The quantity of total exports in April 2022 was 15,047 tonnes (valued at US\$ 52 million), a 61% increase from the same period in the previous year. The value of the total FCV tobacco exports during 2021-22 was Rs. 2,858 crores (US\$ 359 million). In the same year, the country exported 27,742 tonne. The exports of the products in April 2022 increased by 55% to 2,501 tonne from April 2021.

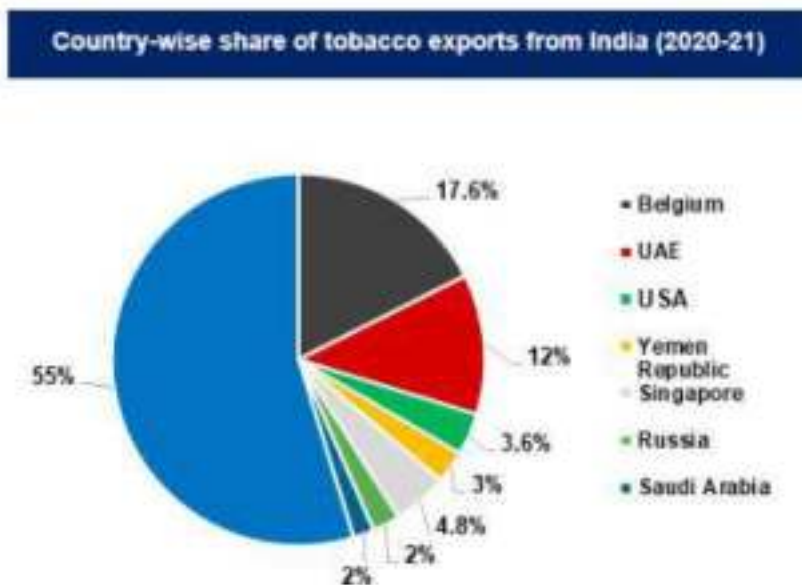
The exports of unmanufactured tobacco during 2021-22 was 1.81 lakh tonne. During April 2022 and May 2022, the exports of unmanufactured tobacco increased by 51% and 14%, respectively, over the same period in the previous year. The value of the total exports during the same period was Rs. 4,102 crores (US\$ 515 million). During the year 2021-22, India exported tobacco and tobacco products worth a total of US\$ 923.8 million.

In February 2022, the export of tobacco from India was US\$ 78 million, a 12.78% rise from February 2021. Also, the month on month growth of exports for February 2022 was 20%. From November 2021 to February 2022, tobacco exports in India grew at a CAGR of 7.6%.

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, Egypt, Arab Rep., Germany, Nepal, USA, Turkey, Nepal and

many more countries worldwide. Out of these countries, Belgium is the biggest importer of tobacco at around 17% of the total exports from India. Egypt, Arab Rep. and the Philippines are one of the largest tobacco export destinations for India importing around 13% and 12% of the total. The country also exports to Indonesia,



Source: RBI Handbook of Statistics

France, UAE, Russia, Korea, Sri Lanka, Malaysia, Venezuela, Ethiopia and Nigeria.

During 2020-21, India exported US\$ 154 million worth of tobacco to Belgium. This was an increase of 3.2% and 14% from 2019-20 and 2018-19, respectively. UAE is among the top importers of tobacco from India, with 2020-21 imports valued at US\$ 106.8. The value of exports to Singapore and USA during the same period was US\$ 42 million and US\$ 32 million, respectively. The exports to USA between 2017-18 and 2020-21 grew at a CAGR of 9.8%. Some of India's other tobacco export destinations, i.e. Netherlands and Germany, imported US\$ 15 million and US\$ 12.6 million worth of tobacco from India during 2020-21, respectively.

In 2022, the government of India approved the extension of Interest Equalization Scheme (IES) till 2024. The rates for IES have been revised as 3% for MSMEs (tobacco products have MSME registration) and 2% for manufacturers and merchant exporters.

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, the 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, 2% for manufacturers and merchant exporters of 410 tariff specified lines.

Tobacco Growers Welfare Scheme

The scheme is aimed at 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 crores (US\$ 3.14 million).

Company Overview

Elitecon International Limited (hereinafter referred as 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 BSE Limited (BSE) and the Calcutta Stock Exchange (CSE).

Since 2021, it has been 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

(Rs. In Lakhs)

Particulars	For the year ended 31-03-2021	For the year ended 31-03-2022
Revenue from operations	0.90	1,930.45
Other Income	8.70	21.76
Total Revenue	9.60	1,952.21
Earnings before interest, taxes depreciation and amortization	(4.01)	173.94
Earnings before interest and taxes	(4.01)	84.59
Profit before Taxation	(4.01)	58.19
- Current Tax	-	13.41
- Deferred Tax	-	1.37
Net Profit/ (Loss) For the Year	(4.01)	43.41

Following are important ratios showing better performance in FY 2022:

Particulars	Units	FY 2020	FY 2021	FY 2022
Profitability Ratios				
EBITDA Margin	%	-2.95%	-41.77%	8.91%
EBIT Margin	%	-2.95%	-41.77%	4.33%
Net Profit Margin	%	-2.95%	-41.77%	2.22%
Growth Ratios				
Net worth	%	-0.17%	-1.28%	28.57%
Return Ratios				
Return on Equity	%	-0.30%	-1.30%	10.91%
Return on Capital Employed	%	-0.30%	-1.17%	2.63%
Return on Assets	%	-0.27%	-1.11%	0.51%
Leverage Ratios				
Debt to Equity	Times	0.00	0.11	7.00
Debt to EBITDA	Times	0.00	-8.24	15.96
Interest Coverage	Times	0.00	0.00	3.20
Debt to Assets	Times	0.00	0.09	0.33
Efficiency Ratios				
Asset Turnover	Times	0.09	0.03	0.44
Receivable Turnover	Times	4.07	1.24	63.38
Receivable Days	Days	90	294	6

Revenue from Operation: The Revenue rose from Rs. 0.90 Lakhs in the financial year 2020-21 to Rs. 1,930.45 lakhs in the financial year 2021-22 and the company was

able to generate more revenue than its average revenue in last 4 years. In last 3 years company has provided with growth of 419.49% CAGR. The growth in revenue can be attributed to the change in market scenario, opening up of the economy and trade resumptioms post COVID-19 lockdown in 2020-21.

Other Income: Other income for the financial year 2021-22 increased by 150% at Rs. 21.76 lakhs as compared to Rs. 8.70 lakhs in the previous year due to exchange fluctuations gains & other non-operating income.

Operating Cost and EBITDA: The EBITDA before exceptional items increased to Rs. 173.94 lakhs for the financial year 2021-22 as compared to Rs. (4.01) lakhs for the financial year 2020-21. This was mainly due to increase in revenue. On the other hand, the EBITDA Margin slightly inclined from (41.77) % for the financial year 2020-21 to 8.91% for the financial year 2021-22. The operating cost increased from Rs. 13.61 lakhs for the financial year 2020-21 to Rs. 1,778.27 Lakhs for the financial year 2021-22.

Debt and Finance cost: There has been increase in total debt which includes long term & short term from Rs. 33.06 for the financial year 2020-21 to Rs. 2,776.00 for the financial year 2021-22. Thus, finance cost for the financial year 2021-22 at Rs.26.40 lakhs in comparison to nil for the previous year.

Profit after Tax: Profit after Tax (PAT) at Rs 43.41 lakhs for the financial year 2021-22 increased by 43.41% as compared to Rs. (4.01) lakhs in the previous year majorly due to the increase in revenue from operations.

Growth Ratios: The Networth has grown by 28.57% for the financial year 2021-22 from (1.11) % for the financial year 2020-21 mainly due to huge growth in revenue 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. 72.21 Lakhs in the financial year 2021-22 as compared to Rs. 1.99 Lakhs in the previous year.

(Rs. In Lakhs)

Particulars	For the year ended 31-03-2021	For the year ended 31-03-2022
Net Cash Generated from Operating Activities (A)	1.44	-2455.06
Net Cash used in Investing Activities (B)	-34.06	-219.18
Net Cash Generated from Financing Activities (C)	33.06	2744.46
Net increase/decrease in cash (D=A+B+C)	0.44	70.22
Cash and Cash Equivalents at the beginning (E)	1.55	1.99
Cash and Cash Equivalents at the end (F=D+E)	1.99	72.21

*Particulars mentioned above are in line with year ended 31st March, 2022

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 reshape 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 the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **Elitecon International Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profits, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the standalone 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 below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters.

Sr. No.	Key Audit Matters	Auditor's response
1.	<p>Revenue Recognition</p> <p>Revenue from the sale of goods is recognized when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such revenue recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery.</p> <p>The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred.</p> <p>Refer Note 2.7 to the significant accounting policies and Note 17.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> o Assessed the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and tested thereof. o Evaluated the integrity of the general information and technology control environment and testing the operating effectiveness of key IT application controls over recognition of revenue. o Evaluated the design, implementation and operating effectiveness of Company's controls in respect of revenue recognition. o On a sample basis, tested supporting documentation for sales transactions recorded during the year which included sales invoices. o Assessed disclosures in financial statements in respect of revenue, as specified in Ind AS 115.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report but does not include the standalone financial statements and our auditor's report thereon.

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

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

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



Management's Responsibilities for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.



d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of written representations received from the directors as on March 31st, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our Opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i) The Company has disclosed pending litigations in its Standalone Financial Statements – Refer Note No. 24(9) and Note No. 24(17) to the Standalone Financial Statements.

ii) The Company has not made any provision, required to be made under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv) a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies) including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

b) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entities (funding party) 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 funding party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



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

v) The Company has neither declared nor paid any dividend during the year.

For S A A R K AND CO
Chartered Accountants
FRN: 021758N

Rajib K. Karn
CA Rajib Kumar Karn
Partner
M. No. 304483
UDIN: 22304483AMU5FV9842



Signed at New Delhi on 08.06.2022

"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under the heading of 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Elitecon International Limited of even date.

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained records in excel sheet showing full particulars, including quantitative details, situation of Property, Plant and Equipment and relevant details of Right of Use Assets which is pending for updation.
- (B) The Company does not have intangible assets.
- (b) The property, plant and equipment were physically verified during the year by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, the Company does not have any immovable property (other than properties where the Company is the lessee and the lessee agreements are duly executed in favour of the lessee).
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory (including inventories lying with third parties) has been noticed.
- (b) According to the information and explanation given by the management and to the best of our information the company has not been sanctioned any working capital limits in excess of Ra. 5 crore, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets hence the clause (ii)(b) of the Order is not applicable.
- (iii) (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(jii)(a) of the Order is not applicable.
- (b) The Company has not made investments, provided guarantees or security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties and hence not commented upon.



(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) to 3(iii)(f) of the Order is not applicable to the Company and hence not commented upon.

- (iv) In our opinion and according to the information and explanations given to us, the Company has neither provided any loans to directors or to any other person in whom the director is interested or given any guarantee or provided any security in connection with loan under Section 185, nor given any loans and made investments under Section 186 of the Act, hence, the provisions of Section 185 and 186 are not applicable to the Company.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

- (vii) (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

- (b) The details of statutory dues required to be deposited on account of dispute pending is as follows:

Nature of the Statute	Forum where dispute is pending	Period to which amount relates	Amount (Rs. in Lakhs)
Income Tax Act, 1961	Assessing Officer	Assessment Year 2018-19	22

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 (43 of 1961) as income during the year. Accordingly, the requirement to report on Clause (viii) of the Order is not applicable to the Company.
- (ix) (a) As per the information and explanation given by the management the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) To the best of our knowledge the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has raised loans from its directors, related parties and other corporates and have applied them for the purpose for which loans are obtained.
- (d) The Company has not raised any short-term funds. Hence, Clause (ix)(d) of the Order is not applicable to the Company.



- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, joint ventures or associates.
- (f) The company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year, Company has made private placement of shares and has complied with the requirements of Section 42 of the Companies Act, 2013 and the funds raised have been used for the purpose for which the funds were raised.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) There are no whistle blower complaints received by the Company during the year, hence, reporting under clause (xi)(c) of the Order is not applicable to the Company.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii)(a) to clause (xii)(c) of the Order is not applicable.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) The internal audit reports of the Company for the period under audit have been considered by us.
- (xv) In our opinion, during the year, the Company has not entered into any non-cash transactions with its director's or persons connected with its directors, and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under clause (xvi)(a) to clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.



(xviii) There has been a resignation of the statutory auditors during the year. There were no objections or issues raised by the outgoing auditor.

(xix) 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 and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion, the provisions of the Section 135 of the Companies Act 2013 are not applicable to the Company and according clause (xx)(a) and Clause (xx)(b) is not applicable to the Company.

For S A A R K AND CO

Chartered Accountants

FRN: 021758N

Rajib K. Karn
CA Rajib Kumar Karn

Partner

M. No. 304483

UDIN: *22304483 AMUSFV9842*



Signed at New Delhi on 08.06.2022

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Elitecon International Limited of even date)

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

We have audited the internal financial controls over financial reporting of Elitecon International Limited ("the company") as on 31st March, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls both issues by 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the company has, in all material respects, adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal financial control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. However, the Company needs to strengthen its Internal Financial Control System Over Financial Reporting.

For S A A R K AND CO

Chartered Accountants

FRN: 021758N

Rajib Kumar

CA Rajib Kumar Kora

Partner

M. No. 304483

UDIN: ~~22304483~~ AMUSFV9842



Signed at New Delhi on 08.06.2022

Elitecon International Limited
(Formerly known as Kashiram Jain & Company Limited)

B-4, Ground Floor Shankar Garden Vignapur, New Delhi 110018

Balance Sheet as at 31st March, 2022

[₹ in Lakhs]

Particulars	Note No.	As at 31.03.2022	As at 31.03.2021
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	506.56	-
(b) Capital work-in-progress		-	-
(c) Other intangible assets		-	-
(d) Right of use assets	3	42.18	-
(e) Financial Assets		-	-
(i) Investments	4	-	125.89
(ii) Loans		-	-
(iii) Other Financial Assets		-	-
(f) Deferred tax assets (net)		-	-
(g) Other non-current assets		-	-
(2) Current Assets			
(a) Inventories	5	1,071.81	-
(b) Financial Assets		-	-
(i) Investments	4	-	-
(ii) Trade receivables	6	63.80	-
(iii) Cash and Cash Equivalents	7	72.23	1.99
(iv) Loans	8	-	231.23
(v) Other current assets	9	4,724.42	1.64
TOTAL ASSETS		8,475.79	369.47
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	10	121.90	106.00
(b) Other Equity		174.88	203.47
Liabilities			
(1) Non-current Liabilities			
(a) Financial Liabilities		-	-
(i) Borrowings	11	2,776.00	83.06
(ii) Lease Liabilities	12	45.97	-
(iii) Other financial liabilities		-	-
(b) Provisions		-	-
(c) Deferred tax liabilities (net)	13	1.97	-
(2) Current Liabilities			
(a) Financial Liabilities		-	-
(i) Borrowings	11	-	-
(ii) Trade payables:	14	-	-
(A) total outstanding dues of micro enterprises and small enterprises		5,205.28	1.22
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(b) Other Current Liabilities	15	39.88	16.72
(c) Provisions		-	-
(d) Current Tax Liabilities (net)	16	13.41	-
TOTAL EQUITY AND LIABILITIES		8,475.79	369.47

The accompanying notes 1 to 14 are an integral part of the Financial Statements.

As per our report of even date attached

For S A A R K AND CO

Chartered Accountants

FAN: 021758N

Regn. No. 021758N

N. Delhi

Partner

M. No.: 304483

UDIN: 2304483ATT03FV9842

Date: 28th June, 2022

Place: New Delhi

For & on behalf of the Board of Directors of

Elitecon International Limited.



Vijay Sharma

Managing Director and Chief Executive Officer

DIN: 01739119



Chetna

Chief Financial Officer

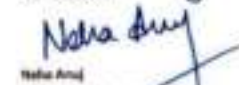
FAN: AYPC0499A



Leela Anand

Director

DIN: 00120958



Neha Anand

Company Secretary

M. No.: 48171



Elitecon International Limited
 (Formerly known as Kashiram Jain & Company Limited)
 B-4, Ground Floor Shankar Garden Vikaspuri, New Delhi-110018
Statement of Profit and Loss for the year ended 31st March, 2022

Particulars	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
(₹ in Lakhs)			
I. Revenue from operations	17	1,930.45	0.90
II. Other Income	18	21.76	8.70
III. Total Income (I+II)		1,952.21	9.60
IV. Expenses			
Cost of materials consumed	19	2,339.26	-
Purchase of Stock-in-trade		-	-
Changes in inventories of finished goods, stock-in-trade and work in progress	20	(806.40)	0.59
Employee benefits expense	21	54.34	5.10
Finance Costs	22	26.40	-
Depreciation and amortization expense	3	89.35	-
Other expenses	23	221.27	7.92
Total expenses		1,894.02	13.61
V. Profit/(Loss) before exceptional items and tax (III-IV)		58.19	(4.01)
VI. Exceptional Items		-	-
VII. Profit/ (loss) before tax (V-VI)		58.19	(4.01)
VIII. Tax expense:			
(1) Current tax		13.41	-
(2) Deferred tax		1.37	-
IX. Profit (Loss) for the period (VII - VIII)		43.41	(4.01)
X. Other Comprehensive Income			
(A)(i) Items that will not be reclassified to profit or loss		-	-
(i) Income tax relating to items that will not be reclassified to profit or loss		-	-
Sub-Total (A)		-	-
(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)		-	-
XI. Total Comprehensive Income for the period (IX+X) (Comprising Profit/(Loss) and Other Comprehensive Income for the period)		43.41	(4.01)
XII. Earnings per share (face value of ₹10 each):			
(1) Basic (₹)		3.79	(0.38)
(2) Diluted (₹)		3.79	(0.38)

The accompanying notes 1 to 24 are an integral part of the Financial Statements.

As per our report of even date attached

For S A R K AND CO

Chartered Accountants

FRN: 021758N

CA Rajib Kumar

Partner

M. No.: 304483

UDIN: 24304483AMUSFV9842

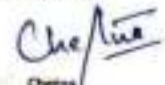
For & on behalf of the Board of Directors of
Elitecon International Limited



Vipin Sharma

Managing Director and Chief Executive Officer

DIN: 01739519



Chetna

Chief Financial Officer

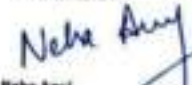
FAN: AVEPC809A



Lalit Kumar Gaur

Director

DIN: 00326958



Neha Anuj

Company Secretary

M. No.: 48171



Date: 8th June, 2022

Place: New Delhi

Elitecon International Limited
(Formerly known as Kashiram Jain & Company Limited)

B-4, Ground Floor Shankar Garden Viharpur, New Delhi-110018

Cash Flow Statement for the period ended 31st March, 2022

Particulars	(₹ in Lakhs)	
	Year ended 31.03.2022	Year ended 31.03.2021
A. Cash flow from Operations		
Profit before tax	58.13	(4.01)
Adjustment for:		
Depreciation and amortization expense	89.35	-
Financial Charges	26.40	-
Provisions for gratuity	-	-
Interest income	-	-
Provision for Doubtful/ Debts	-	-
(Profit)/loss on sale of Property, plant and equipment	-	-
Operating profit before working capital changes	173.94	(4.01)
(Increase)/ Decrease in Current Assets		
Inventories	(3,071.81)	0.59
Trade receivables	(51.60)	15.49
Other current assets	(4,722.81)	(1.32)
Increase / (Decrease) in Current Liabilities		
Trade payables	1,204.06	(14.73)
Other Current Liabilities	23.16	5.42
Short term provisions	-	-
Cash inflow / (outflow) from Operations	(2,455.06)	1.44
Income Tax paid	-	-
Net Cash inflow / (Outflow) from Operating Activities (A)	(2,455.06)	1.44
B. Cash flow from Investing activities		
Purchase of property, plant and equipment	(576.02)	-
Sale of property, plant and equipment	-	-
Interest received	-	-
Loans given/ realized	231.15	(34.06)
Sale/redemption of investments	125.69	-
Net Cash inflow / (Outflow) from Investing Activities (B)	(219.18)	(34.06)
C. Cash Flow from Financing Activities		
Proceed from issue of share Capital	15.00	-
Increase in Securities Premium	30.00	-
Proceed from Long Term Borrowings	2,742.34	33.06
Payment of Lease Liabilities	(22.12)	-
Financial Charges	(21.36)	-
Net Cash inflow / (Outflow) from Financing Activities (C)	2,744.46	33.06
Net Change in Cash or Cash Equivalents during the year (A+B+C)	70.22	0.44
Cash and Cash Equivalents at the beginning of the year	1.90	1.55
Cash and Cash Equivalents at the end of the year	72.21	1.99

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 7).
- Previous year's figures have been regrouped/rearranged/reclassified wherever necessary.

The accompanying notes 1 to 24 are an integral part of the Financial Statements.

As per our Audit Report of even date attached

For S A A R E AND CO
 Chartered Accountants
 FRN: 0217586

Rajit
 CA Rajit Kumar Gaur
 Partner
 M. No.: 304483
 UDIN: 220304483AMU1FV9842

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

Vijet Sharma
 Vijet Sharma
 Managing Director and Chief Executive Officer
 DIN: 01739519

Lehit Kumar Gaur
 Lehit Kumar Gaur
 Director
 DIN: 00326958

Chetna
 Chetna
 Chief Financial Officer
 PAN: AVFPC4895A

Neha Anuj
 Neha Anuj
 Company Secretary
 M. No.: 48171

Date: 8th June, 2022
 Place: New Delhi



Etibcon International Limited
 (Formerly known as Kuchiram Job & Company Limited)
 5-A, Street Four Station, Station House, New Delhi - 110014

Statement of Changes in Equity

A. Equity Share Capital

(1) Current Reporting period		(2) Prior period		
Balance at the beginning of the current reporting period	Changes in equity share capital due to prior period errors	Revised 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
100.00			11.00	111.00

(1) Previous reporting period		(2) Prior period		
Balance at the beginning of the previous reporting period	Changes in equity share capital due to prior period errors	Revised balance at the beginning of the current reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting year
				111.00

B. Other Equity

(1) Current Reporting period	(2) Prior period													
	Share application money pending allotment	Equity component of compound Financial Instruments	Capital Reserve	Reserves Premium	Other Reserves (Equity related)	Retained earnings	Debt Instruments through Other Companies and Finance	Equity Instruments via Other Companies and Finance	Effective portion of Cash Flow Hedges	Residual Fractions	Exchange Differences on monetary items of a foreign operation	Other items of Other Comprehensive Income (Specify nature)	Other reserves against share movements	Total
Balance at the beginning of the current reporting period				106.00		7.47								200.97
Changes in accounting policy or prior period errors														
Revised balance at the beginning of the current reporting period														
Total comprehensive income for the current year														
Dividends														
Transfer to retained earnings						45.45								45.45
Equity Shares issued during the year				50.00										50.00
Balance at the end of the current reporting period				156.00		52.92								218.92



[Handwritten signatures]

Chetna



Neha Singh

11 Previous reporting period

12 In Lakhs

	Revenue and surplus										Total		
	State application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Securities Premium	Other reserves (Specify nature)	Retained earnings	Other Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of each flow hedge	Revaluation surplus		Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (Specify nature)
Balance at the beginning of the previous reporting period	-	-	-	196.00	-	31.48	-	-	-	-	-	-	227.48
Changes in accounting policy or prior period error	-	-	-	-	-	-	-	-	-	-	-	-	-
Rectified balance at the beginning of the previous reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the previous year	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	(8.23)	-	-	-	-	-	-	(8.23)
Equity shares issued during the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the previous reporting period	-	-	-	196.00	-	7.47	-	-	-	-	-	-	203.47

The accompanying notes 1 to 29 are an integral part of the Financial Statements.

All year end reports of over 2500000000

For T S A R K AND CO
Chartered Accountants
Firm No. 0211966

Rajiv K.
CA Rajiv Kumar Katoor
Partner
M. No. 004902
100/22 BHAMBHATPUR FUSION



Date: 29th Jan, 2022
Place: New Delhi



For & on behalf of the Board of Directors of
Elecon International Limited

[Signature]
Vijay Sharma
Managing Director and Chief Executive Officer
M. No. 0115022
[Signature]
Chitra
Chief Financial Officer
M. No. 00110495

[Signature]
Lata Kumar
Director
M. No. 0020808
[Signature]
Neha Anand
Neha Anand
Company Secretary
M. No. 00111

Elitecon International Limited
(Formerly known as Kashiram Jain & Company Limited)
 B-4, Ground Floor Shankar Garden VIKASPURI, New Delhi-110018

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 B-4, Ground Floor Shankar Garden VIKASPURI, New Delhi-110018. EIL is listed on the Bombay Stock Exchange Limited (BSE) and the Calcutta Stock Exchange Limited (CSE).

The Company shifted its registered office from the state of Assam to New Delhi vide fresh Certificate of Incorporation No. (CIN) L18000DL1987PLC396234 dated 08th April 2022.

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 recognized 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.

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 recognized 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 recognizes 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 recognized as expense in the periods in which they are incurred. Interest on lease liability is recognized 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 recognized in the Statement of Profit and Loss on a straight line basis over the term of the lease.



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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 derecognised 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 derecognised 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.



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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 (including 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 "infrastructure business and trading goods and services", which in terms of Ind AS 108 on "Segment Reporting" constitutes a single reporting segment.

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 recognized 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:

- (a) related to or used for assets, are deducted from the carrying amount of the asset.
- (b) 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.
- (c) 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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Ethicon International Limited
 (Formerly known as Ethicon Ltd & Company Limited)
 5 A, Ground Floor, Shakti Centre Tower, New Delhi 110018.

Notes to the Financial Statements

Note 8 - Property, Plant and Equipment

(If in Lakhs)

Sl. No.	Particulars	Gross Block			Depreciation and Amortisation			Net Block			
		As at 31.03.2022	Additions During the year	Deductions/ Adjustments	As at 31.03.2022	As at 31.03.2021	For the year	Deductions/ Adjustments	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022
1	Property, plant & equipment										
	Plant & Equipment	-	506.81	-	505.81	-	88.75	-	88.75	596.06	-
	Furniture & Fixtures	-	21.71	-	21.71	-	5.99	-	5.99	34.12	-
	Office Equipment	-	11.27	-	11.27	-	5.81	-	5.81	9.96	-
	Computer	-	8.22	-	8.22	-	-	-	-	8.22	-
	Sub total (A)	-	547.81	-	546.81	-	100.55	-	100.55	658.58	-
2	Capital Work in Progress										
	Capital WIP	-	-	-	-	-	-	-	-	-	-
	Sub total (B)	-	-	-	-	-	-	-	-	-	-
3	Right of Use Assets										
	Lease	-	81.00	-	81.00	-	11.89	-	11.89	91.18	-
	Sub total (C)	-	81.00	-	81.00	-	11.89	-	11.89	91.18	-
	Grand Total (A+B+C)	-	628.81	-	627.81	-	112.44	-	112.44	749.76	-



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Elitecon International Limited
(Formerly known as Kashmir Jain & Company Limited)
B-4, Ground Floor, Market Garden Vihar, New Delhi-110018

Notes to the Financial Statements

Note 6: Non-current Investments

Particulars	(₹ in Lakhs)			
	No. of shares as at 31.03.2022	Value as at 31.03.2022	No. of shares as at 31.03.2021	Value as at 31.03.2021
Investment in Equity Shares				
Investment in Equity Instruments:				
84% Part held: Bullish Private Limited	-	-	121,000.00	99.99
84% Part held: Vedant Commodities Private Limited	-	-	2,579.00	25.79
Total	-	-	1,23,579.00	125.78
Notes:				
(a) Aggregate amount of quoted investments and market value thereof	-	-	-	-
(b) Aggregate amount of unquoted investments	-	-	1,01,579.00	125.43
(c) Aggregate amount of impairment in value of investments	-	-	-	-
Total	-	-	1,01,579.00	125.43

Note 7: Inventories

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Raw Materials	2,725.41	-
Works-in-progress	-	-
Finished Goods	658.78	-
Stock in Transit: Finished goods	181.84	-
Total	3,566.03	-
Notes:		
(a) Raw material are valued on Weighted Average basis.		
(b) Work-in-progress are valued at cost of production (cost of materials and overhead up to the completed stage of production).		
(c) Inventories of Finished goods are valued on Weighted Average basis or net realizable value whichever is less.		

Note 8: Trade Receivables

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
(a) Secured, considered good	-	-
(b) Unsecured Considered Good	61.89	-
(c) Doubtful	-	-
Total	61.89	-

Particulars	Outstanding for following periods from due date of payment					Total
	(₹ in Lakhs)					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Un disputed Trade receivables - considered good	61.89	-	-	-	-	61.89
(ii) Un disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Un disputed 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	61.89	-	-	-	-	61.89



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(Formerly known as Kashiram Jain & Company Limited)
B-4, Ground Floor Shankar Garden Vikaspuri, New Delhi-110018

Notes to the Financial Statements

Note 7:- Cash and Cash equivalents

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Balances with Banks	70.25	1.80
Cheques, Draft in hand	-	-
Cash on hand	1.96	0.19
Total	72.21	1.99

Note 8:- Loans

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Unsecured, considered good		
Loans to related parties	-	-
Loans to others	-	231.15
Total	-	231.15

Note 9:- Other current assets

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Advances other than capital advances		
Advances to related parties	-	-
Other advances:		
TDS & TCS	5.01	0.61
GST & Cess inward	828.25	1.03
GST & Cess Refund receivable	3,826.49	-
Deposits & Advances receivable in cash or in kind or for value to be received	8.76	-
Advance to Suppliers	55.94	-
Total	4,724.45	1.64



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Elitecon International Limited
(Formerly known as Kashiram Jain & Company Limited)
8-4, Ground Floor Shankar Garden Vasantpur, New Delhi-110038

Notes to the Financial Statements

Note 10 - Equity Share Capital

(₹ in Lakhs)

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	Amount	No. of Shares	Amount
(A) Authorized, Issued, Subscribed and fully paid up				
Authorized:				
Equity shares of Rs. 10/- each	1,00,00,000.00	1,000.00	11,00,000.00	110.00
Total	1,00,00,000.00	1,000.00	11,00,000.00	110.00
Issued, subscribed and fully paid up:				
Equity shares of Rs. 10/- each	12,10,000.00	121.00	10,60,000.00	106.00
Total	12,10,000.00	121.00	10,60,000.00	106.00

(B) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31.03.2022	As at 31.03.2021
Number of shares outstanding as at the beginning of the year	-	10,60,000
Add: Number of shares allotted for cash	1,50,000	-
Less: Number of shares bought back during the year	-	-
Number of shares outstanding as at the end of the year	12,10,000	10,60,000

(C) Shares in the company held by each shareholder holding more than 1% shares

Name of the shareholder	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	Percentage	No. of Shares	Percentage
Devenand Vishal Curbicar	-	-	6,94,900	65.18%
Kansu Krishna Rao Chaturvedi	-	-	60,000	5.08%
Ancora Real Estate Fund-1	4,00,000	33.06%	2,50,000	23.58%
DUC Education Foundation	2,74,900	22.72%	-	-
Vign Shama	4,20,000	34.71%	-	-

(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, 2022: Nil.

(E) Ordinary Shares allotted as fully paid up Bonus Shares for the period of five years immediately preceding 31st March, 2022: 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 pari passu 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, 2022: Nil.

(H) Shareholding of promoters

S.No. Promoter's name	As at 31.03.2022		As at 31.03.2021		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
1 Vign Shama	4,20,000.00	34.71	-	-	100.00
2 DUC Education Foundation	2,74,900.00	22.72	-	-	100.00
3 Ancora Real Estate Fund - 1	4,00,000.00	33.06	2,50,000.00	25.58	60.00



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Elitecon International Limited
(Formerly known as Kashiram Jain & Company Limited)
B-4, Ground Floor Shankar Garden (Khaspur), New Delhi 110018

Notes to the Financial Statements

Note 11:- Borrowings

Particulars	(₹ in Lakhs)			
	Non-Current		Current	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Unsecured				
Loan from related parties	1,325.31	7.06	-	-
Loans from Others	1,440.69	26.00	-	-
Total	2,776.00	33.06	-	-

Terms of borrowings:

Loan from related Parties: This includes loan from Directors and Laxmi Electronics Limited. The loan taken from Laxmi Electronics Limited is repayable by the company on the date of expiry of 1 year from the date of last disbursement of loan amount.

Loan from Others: The loan is repayable by the company on the date of expiry of 1 year from the date of last disbursement of loan amount except in case of Rita Finance and Leasing Limited where the loan is repayable alongwith the interest @ 9% p.a. by the company on the date of expiry of a period of 2 years from the date of disbursement of the loan. The Company has an option to repay to Rita Finance and Leasing Limited either in full or in part from time to time in one or more tranches before expiry of 2 years.

Note 12:- Lease liabilities

The Company's significant leasing arrangements are in respect of Land and Building/ Shed for non-residential purpose for a period of 36 months commencing from 01.03.2021. The amount of ROU assets and lease liabilities recognized in Balance Sheet are disclosed in Note No. 3 and Note No. 12 respectively. The total cash outflow for lease for the year is Rs. 22.12 Lakhs.

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the Statement of Profit and Loss.

Particulars	(₹ in Lakhs)			
	As at 31.03.2022		As at 31.03.2021	
	Non-Current	Current	Non-Current	Current
Lease liabilities	45.97	-	-	-
Total	45.97	-	-	-

Movement of lease liabilities during the year

Particulars	(₹ in Lakhs)	
	As at 31.03.2021	As at 31.03.2022
Opening lease liabilities	-	-
New leases recognized	43.05	-
Repayments and withdrawals	-	-
Interest expense on lease liabilities	5.34	-
Payment of lease liabilities made	(22.12)	-
Foreign Currency Translation Reserve adjustment	-	-
Closing balance of lease liabilities	45.97	-

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

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Less than one year	23.54	-
More than one year and less than three years	22.43	-
Total	45.97	-

Note 13:- Deferred tax liabilities/assets (Net)

Particulars	(₹ in Lakhs)	
	As at 31.03.2022	As at 31.03.2021
Deferred tax liabilities	1.37	-
Deferred tax assets	-	-
Deferred tax liabilities/assets (Net)	1.37	-

Movement of deferred tax liabilities/ assets

Particulars	(₹ in Lakhs)			
	Opening Balance	Recognized in Profit & Loss	Recognized in OCI	Closing Balance
2021-22				
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 Business loss	-	(1.23)	-	(1.23)
Total deferred tax assets	-	(1.23)	-	(1.23)
Deferred tax liabilities/ assets (Net)	-	1.37	-	1.37
2020-21				
Deferred tax liabilities/ assets in relation to:				
On Property, plant and equipment	-	-	-	-
Total deferred tax liabilities	-	-	-	-
On Business loss	-	-	-	-
Total deferred tax assets	-	-	-	-
Deferred tax liabilities/ assets (Net)	-	-	-	-



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Elitecon International Limited
(Formerly known as Kashiram Jain & Company Limited)
B-4, Ground Floor Shankar Garden Vikaspuri, New Delhi 110018

Notes to the Financial Statements

Note 14:- Trade payable (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Bundry Creditors for:-		
(a) Material & Supplies		
(i) total outstanding dues of micro enterprises and small enterprises	5,189.24	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
(b) Services & others		
(i) total outstanding dues of micro enterprises and small enterprises	16.04	1.22
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Total	5,205.28	1.22

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 March, 2022	As at 31 March, 2021
(a) Principal amount due at the year end	5,205.28	1.22
(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	5,205.28	1.22

Trade Payables Aging Schedule: (₹ in Lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	5,205.28	-	-	-	5,205.28
(ii) Others	-	-	-	-	-
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	5,205.28	-	-	-	5,205.28

Note 15:- Other current liabilities (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Current portion of Long Term Borrowings	-	-
Duties & taxes	4.92	0.23
Expenses Payable	4.92	1.34
Other payables	25.10	15.15
Revenue received in advance	0.00	-
Total	35.00	16.72

Note 16:- Current Tax Liabilities (Net) (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Current Income tax Liabilities	23.41	-
Total	23.41	-



Chartered Accountant



Neha Singh

Elitecon International Limited
(Formerly known as Keshiram Jain & Company Limited)
B-4, Ground Floor Shankar Garden Vikaspuri, New Delhi-110018

Notes to the Financial Statements

Note 17:- Revenue from operations

(₹ in Lakhs)

Particulars	Year ended	Year ended
	31.03.2022	31.03.2021
Sale of products	1,930.45	-
Sale of services	-	-
Other operating revenues	-	0.90
Total	1,930.45	0.90

Note 18:- Other Income

(₹ in Lakhs)

Particulars	Year ended	Year ended
	31.03.2022	31.03.2021
Interest income	-	8.67
Exchange Fluctuation Gain	5.27	-
Other non-operating income	16.49	0.03
Total	21.76	8.70

Note 19:- Cost of material consumed

(₹ in Lakhs)

Particulars	Year ended	Year ended
	31.03.2022	31.03.2021
Consumption of raw material		
Opening Stock	-	-
Add: Purchases	4,574.67	-
Less: Closing Stock	2,235.41	-
Total	2,339.26	-

Note 20:- Changes in Inventories of Finished Goods and Works in Progress

(₹ in Lakhs)

Particulars	Year ended	Year ended
	31.03.2022	31.03.2021
Opening Stock		
Finished Goods	-	0.59
Work in progress	-	-
	(A)	0.59
Closing stock		
Finished Goods	836.40	-
Work in progress	-	-
	(B)	836.40
Total (A-B)	(836.40)	0.59



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Neha Arora

Elitecon International Limited
 [Formerly known as Kashiram Jain & Company Limited]
 B-4, Ground Floor Shankar Garden Vikaspuri, New Delhi-110018

Notes to the Financial Statements

Note 21:- Employee benefits expense

(₹ in Lakhs)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Salaries and wages	51.43	5.10
Contribution to provident and other funds	-	-
Staff welfare	0.68	-
Directors' Remuneration	2.03	-
Total	54.14	5.10

Note 22:- Finance cost

(₹ in Lakhs)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Interest on borrowings	20.51	-
Interest on Lease Liability	5.04	-
Bank Charges	0.85	-
Total	26.40	-

Note 23:- Other expenses

(₹ in Lakhs)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Manufacturing Costs		
Power & Fuel	8.00	-
Freight, Cartage & Custom Clearance Charges	27.34	-
Job Work Charges and Labour	18.83	-
Repairs-Plant & Machinery	9.37	-
Testing Charges	0.02	-
Stores, Consumables & Packing	34.40	-
Other Expenses		
Communication Expenses	0.27	-
Fees & Subscriptions	2.18	-
Legal, professional and consultancy charges	35.85	1.44
Director's Sitting Fees	1.91	-
Loading & Unloading Expenses	0.20	-
BSE Annual Fees and Depository Expenses	6.27	3.00
Miscellaneous expenses	0.23	0.50
Office Expenses	1.16	0.30
GST, Cess, Excise duty & NCCD	8.83	-
Duty and Taxes	0.67	-
Payment to auditors*		
- for statutory audit	4.00	0.25
- for certification/limited review	0.40	-
Secretarial Audit Fees	-	0.11
Printing, Postage, Telegram & Courier Expenses	0.32	-
E Voting Charges	0.12	0.05
Repair & Maintenance Machineries	-	-
Repair & Maintenance Land & Building	11.14	-
Rent	5.54	1.39
Rates & Taxes other than taxes on income	2.08	-
Security Expenses	3.00	-
Traveling Expenses	7.38	0.05
Advertising & Publicity Expenses	2.68	0.79
Freight & Forwarding Expenses	34.28	-
Total	221.27	7.92

***Note: Payment to auditors**

- for statutory audit	4.00	0.25
- for company law matters	-	-
- for taxation matters-tax audit	-	-
- for others-certification/limited review	0.40	-
Total	4.40	0.25



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Chief



Neha Arora

Eltecon International Limited
(Formerly known as Kashiram Jain & Company Limited)
B-4, Ground Floor Sherkar Garden Wazirpur, New Delhi-110018

Notes to the Financial Statements

Note 24: 1) Contingent Liabilities and Commitments (to the extent not provided for)

		(₹ in Lakhs)	
		As at 31.03.2022	As at 31.03.2021
i) Contingent Liabilities			
Particulars			
a) Claims against the company not acknowledged as debt		-	-
b) Guarantees excluding financial guarantees		-	-
c) Other monies for which the company is contingently liable:			
- Income Tax Matters- Demand due to assessment proceeding u/s 147		22.00	-
Total		22.00	-

		(₹ in Lakhs)	
		As at 31.03.2022	As at 31.03.2021
ii) Commitments			
Particulars			
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		-	-

		(₹ in Lakhs)	
		As at 31.03.2022	As at 31.03.2021
2) Earnings per Share			
Particulars			
(i) Profit / (loss) for the year		61.41	(4.00)
(ii) Weighted average number of Ordinary shares outstanding for the purpose of basic earnings per share		11,44,147	10,60,000
(iii) Weighted average number of Ordinary shares in computing diluted earnings per share		11,44,147	10,60,000
(iv) Earnings per share or profit for the year (Face Value ₹. 10.00 per share)			
- Basic ₹ (i)/(ii)		5.39	(3.80)
- Diluted ₹ (i)/(iii)		5.39	(3.80)

3) Employee Benefits

Defined Contribution Plans

Amount recognized as expenses in defined contributions plans:

		(₹ in Lakhs)	
Particulars		2021-2022	2020-21
Contribution Provident Fund & Employees pension scheme 1995		-	-
Employees' State Insurance Corporation (ESIC)		-	-

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.

		(₹ in Lakhs)	
Components of Employer Expenses		As at 31.03.2022	As at 31.03.2021
Recognized in Statement of Profit and Loss			
Current Service Cost		-	N.A.
Past service Cost		-	N.A.
Net Interest Cost		-	N.A.
Total Expenses Recognized in Statement of Profit and Loss (A)		-	N.A.
Effects recognized in Other Comprehensive Income			
Return on plan assets (greater)/ less than the expected return		-	N.A.
Actuarial (Gain) / loss due to demographic assumptions		-	N.A.
Actuarial (Gain) / loss due to financial assumptions		-	N.A.
Changes in asset ceiling		-	N.A.
Actuarial (Gain) / loss due to experience on DBO		-	N.A.
Net actuarial loss / (gain) for the year recognized in Other Comprehensive Income (B)		-	N.A.
Total defined benefit cost recognized in the Statement of Profit and Loss and Other Comprehensive Income (A+B)		-	N.A.

		As at 31.03.2022	As at 31.03.2021
Net Asset/(Liability) recognized in Balance Sheet			
Present value of Defined Benefit Obligation		-	N.A.
Fair Value of Plan Assets		-	N.A.
States (Surplus / (Deficit))		-	N.A.
Restrictions on Asset Recognized		-	N.A.
Net Asset/(Liability) recognized in Balance Sheet		-	N.A.

		As at 31.03.2022	As at 31.03.2021
Reconciliation of Defined Benefit Obligation (DBO)			
Present Value of DBO at the beginning of the year		N.A.	N.A.
Current Service Cost		-	N.A.
Past Service Cost		-	N.A.
Net Interest Cost		-	N.A.



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Actuarial loss / (Gain) - demographic	-	N.A.
Actuarial loss / (Gain) - financial	-	N.A.
Changes in asset ceiling (excluding interest income)	-	N.A.
Actuarial loss / (Gain) - experience	-	N.A.
Loss / (Gain) on Curtailments	-	N.A.
Loss / (Gain) on settlements	-	N.A.
Effects of acquisition / merger	-	N.A.
Transfer in/(Out)	-	N.A.
Benefit payments directly by employer	-	N.A.
Benefit payments from plan assets	-	N.A.
Total Actuarial Loss (Gain)	-	N.A.
Exchange differences on foreign plans	-	N.A.
Present value of DBO at the end of the year	-	N.A.

Composition of the Plan Assets	At 31	At 31
	03.2022	03.2021
Government of India Securities	N.A.	N.A.
State Government Securities	N.A.	N.A.
High Quality Corporate Bonds	N.A.	N.A.
Equity Shares of listed Companies	N.A.	N.A.
Property	N.A.	N.A.
Special Deposit Scheme	N.A.	N.A.
Policy of Insurance	N.A.	N.A.
Bank Balance	N.A.	N.A.
Other Investments	N.A.	N.A.
Total	N.A.	N.A.

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/ reduce the employees.



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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 interrelationships 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	As at 31.03.2022	As at 31.03.2021
Discount rate: increase by 1 %	-	-
Decrease by 1 %	-	-
Salary growth rate: increase by 1 %	-	N.A.
Decrease by 1 %	-	N.A.
Withdrawal rate: increase by 1 %	-	N.A.
Decrease by 1 %	-	N.A.

Post Service wise Distribution

Post Service	Percentage	Benefits Payable
0 to 4	0.00%	-
5 to 10	0.00%	-
11 to 15	0.00%	-
above 15	0.00%	-
Total	0.00%	-

4) Categories of Financial Instruments

Particulars	Note No.	As at 31.03.2022		As at 31.03.2021	
		Carrying Value	Fair Value	Carrying Value	Fair Value
A. Financial Assets					
a) Measured at amortized cost:					
-Cash and cash equivalents	7	72.21	72.21	1.99	1.99
-Investments	8	-	-	125.69	125.69
-Loans	-	-	-	231.15	231.15
-Other financial assets	-	-	-	-	-
-Trade Receivables	6	61.60	61.60	-	-
Total		133.81	133.81	358.83	358.83
b) Measured at Fair Value through OCI					
c) Measured at fair value through Profit or Loss					
Total Financial Assets		133.81	133.81	358.83	358.83
B. Financial Liabilities					
a) Measured at amortized cost:					
-Borrowings	11	3,776.00	3,776.00	33.06	33.06
-Lease liabilities	12	45.97	45.97	-	-
-Other financial liabilities	-	-	-	-	-
-Trade Payables	14	1,205.28	1,205.28	1.23	1.23
Total Financial Liabilities		5,027.25	5,027.25	34.29	34.29

5) Fair Value Measurement

The following table presents the fair value hierarchy of financial assets and liabilities measured at fair value on a recurring basis:

Particulars	Fair Value Hierarchy (Level)	As at	As at
		31.03.2022	31.03.2021
A. Financial Assets			
a) Measured at amortized cost			
-Investments	3	-	125.69
-Loans	-	-	-
-Other financial assets	-	-	-
Total		-	125.69
b) Measured at Fair Value through OCI			
c) Measured at fair value through Profit or Loss			
Total Financial Assets		-	125.69
B. Financial Liabilities			
a) Measured at amortized cost			
-Borrowings	3	3,776.00	33.06
-Lease liabilities	3	45.97	-
Total Financial Liabilities		3,821.97	33.06

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 prices 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).



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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 fixed 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.

8) 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 31.03.2022	As at 31.03.2021
(a) Value of Import on OF Basis		
(i) Capital Goods:		
- Cost of Machinery	312.93	-
- Custom Duty	21.83	-
- Freight and forwarding	12.66	-
Total	347.41	-
(ii) Raw Materials & Spare parts		
- Raw Material Cost	5.48	-
- Custom Duty	0.65	-
- Freight and forwarding	2.06	-
Total	8.19	-
(b) Expenditure in Foreign Currency		
(i) Capital goods	-	-
(ii) Raw material & Spare parts	5.48	-
(iii) Others (Advance to supplier)	39.25	-
Total	44.72	-
(c) Earnings in foreign currency		
(i) Sales (Export)	1,409.81	-
Total	1,409.81	-

Credit Risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service visit according to the contractual terms or obligations. Credit risk encompasses 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.

7) Related Party Disclosures

1. List of Related Parties

1. Key Management Personnel

Devanand Vishal Chatterjee	Director, Cessation w.e.f. 29.08.2021
Lalit Kumar Gaur	Additional Director (Executive), Appointment w.e.f. 14.03.2022
Vipin Sharma	Managing Director and Chief Executive Officer
Devanand Ray	Whole time Director, Cessation w.e.f. 14.03.2022
Monam Kapoor	Additional Director, Appointment w.e.f. 12.04.2022
Hansraj Ramaprabhu	Additional Director, Appointment w.e.f. 22.03.2022
Bhemeshaanker	
Avail AB	Managing Director and Chief Executive Officer, Cessation w.e.f. 02.02.2022
Venkata Ramana Managrapada	Chief Financial Officer, Cessation w.e.f. 24.06.2021
Himanshu Gambhir	Company Secretary, Cessation w.e.f. 10.12.2021
Chandni Aggarwal	Company Secretary, Cessation w.e.f. 20.10.2021
Kuldeep Singh	Chief Financial Officer, Cessation w.e.f. 18.09.2021
Shama Seth	Company Secretary, Cessation w.e.f. 11.03.2021
Diarna	Chief Financial Officer, Appointment w.e.f. 26.05.2022
Neha Anuj	Company Secretary, Appointment w.e.f. 10.11.2021

2. Enterprises where control exist by Key Management Personnel

Lemon Electronics Limited

3. Disclosures of transactions with related parties and outstanding balances as at 31st March, 2022



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	Transaction during the year		Closing balance as at	
	2021-22	2022-23	31.03.2022	31.03.2023
(i) Laxmi Electronics Limited				
Loan taken	1,329.25	-	1,329.25	-
(ii) Devendra Vishal Cuntozar				
Loan taken	7.06	-	7.06	7.06
Repayment of Loan	7.06	-	-	-
(iii) Vignh Sharma				
Loan taken	5.00	-	5.00	-
(iv) Lalit Kumar Gaur				
Remuneration	2.03	-	-	-
v) Neha Anuj				
Remuneration	2.25	-	-	-
vi) Avish Al				
Remuneration	0.27	-	-	-
vii) Bhavna Seth				
Remuneration	0.50	3.00	-	-

8) 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.

9) The Income Tax authority issued Show Cause Notice under clause (b) of Section 148A dated 12.03.2022 pertaining to A.Y. 2018-19 with respect to escaped assessment within the meaning of Section 147 of the Income Tax Act, 1961 amounting to Rs. 22 lakhs. The management has submitted response to the Show Cause Notice on 28.03.2022. Further, the department has passed an order under Clause (d) of Section 148A dated 29.03.2022 and issued notice under Section 148 on 29.03.2022. The management has submitted response on 29.04.2022 against notice under Section 148. The assessment proceedings under Section 147 are pending against the Company.

10) 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 to the total loans and advances in the nature of loans
Promoter	-	-
Directors	-	-
KMP's	-	-
Related Parties	-	-

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 560 of Companies Act, 2006.

13) Financial Ratios

Ratio	Numerator	Denominator	As at 31.03.2022	As at 31.03.2021	% variance	Reason for variance
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Current Ratio (in times)	Current Assets	Current Liabilities	1.51	13.09	88.48	Decrease in ratio due to increase in sales during the current year with corresponding increase in inventory, trade receivable, trade payables, and other current assets. Also, increase in trade payables is more than increase in trade receivables.
Debt-Equity Ratio (in times)	Total Debt	Shareholder's Equity	7.09	0.11	6,529.20	Increase in the ratio is due to increase in non-current borrowings during the current year.
Debt Service Coverage Ratio (in times)	Earning for Debt Service = Net Profit before taxes + Non-cash operating expenses - Interest	Debt service = Interest & Lease Payments + Principal Repayments	0.13	-	100.00	Increase in the ratio is due to increase in principal repayments during the year.
Return on Equity (in %)	Net Profit after tax	Average Shareholder's Equity	0.12	(0.00)	1,527.02	Increase in ratio due to profit earned in the current financial year as the company was in loss during the previous financial year.
Inventory Turnover Ratio (in times)	Sales	Average Inventory	1.26	0.05	58.80	The ratio is decreasing as the percentage increase in inventory is more than the percentage increase in sales.
Trade receivable Turnover Ratio (in times)	Total Sales	Closing Trade Receivables	81.54	No closing trade receivables	100.00	The ratio is increasing due to increase in sales and trade receivables during the current year.
Trade payables turnover ratio (in times)	Total Purchases	Closing Trade Payables	0.88	-	900.00	The ratio is increasing due to increase in credit purchase during the current year.
Net Capital Turnover Ratio (in times)	Net Sales	Average working capital	0.72	0.00	100.00	The increase in ratio is due to increase in sales during the current financial year.



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Neha Aruj

Net Profit Ratio (in%)	Net Profit after tax	Net Sales	0.02	(4.46)	100.50	The increase in ratio is due to increase in sales during the current financial year.
Return on Capital Employed (in %)	Earning before interest and taxes	Capital Employed = Net Worth + Total Debt + Deferred Tax Liability	0.03	(0.03)	324.31	Increase in ratio is due to increase in profit during the year and also increase in debt.
Return on Investment (in %)	Income from investments	Weighted average investments	-	0.02	100.00	Decrease in ratio is due to sale of all the investment during the current year.

- 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.
- 16) 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.
- 17) The Company has moved an application for voluntary delisting of its securities from CSE on April 06, 2021. However, the trading in securities has been suspended by the Calcutta Stock Exchange Limited (CSE) w.e.f April 26, 2021 on account of non-payment of Annual Listing Fees.
- 18) 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 S A R K AND CO

Chartered Accountants

PRN: 021758N

Rajib Kumar Kar

 CA Rajib Kumar Kar
 Partner
 M. No.: 304483

UDIN: 23304483AMUSFV3842

Date: 08th June, 2022

Place: New Delhi

For & on behalf of the Board of Directors of
 Eltecon International Limited

Vijay Sharma
 Managing Director and Chief Executive Officer
 DIN: 01799519

Chetna
 Charita
 Chief Financial Officer
 PAN: ANFPC495A

Lalit Kumar Saur
 Director
 DIN: 00326958

Neha Anuj
 Neha Anuj
 Company Secretary
 M. No.: 48271

