

# SHALIMAR AGENCIES LIMITED

(CIN NO: L151226TG1981PLC114084)

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Date: 05.09.2023

To, <b>BSE Limited</b> PhirozeJeejeebhoy Towers, Dalal Street, Mumbai- 400 001	To, <b>Metropolitan Stock Exchange of India Limited,</b> 205(A), 2nd floor, Piramal Agastya Corporate Park, Kamani Junction, LBS Road, Kurla (West), Mumbai-400070.	To, <b>The Calcutta Stock Exchange Limited</b> 7, Lyons Range, Dalhousie, Kolkata-700001, West Bengal
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Sub: Annual Report for the Financial Year 2022-2023

Ref: Shalimar Agencies Limited

As required under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the Financial Year 2022-2023. The said Annual Report has also been uploaded on the Company's website at <https://www.shalimaragencieslimited.com/>

This is for your information and dissemination.

Thanking you.

For **Shalimar Agencies Limited**

**Manoj Sandilya Telakapalli**

**Director**

**(DIN: 09630299)**

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**Regd off:** : Plot.No 19, SanaliSpazio, Software Unit Layout, Cyber Tower Area, Madhapur, Hyderabad, Rangareddy, Telangana, 500081.

**website:**[www.shalimaragencieslimited.com](http://www.shalimaragencieslimited.com); **Email Id:** shalimaragenciesltd@gmail.com

**42<sup>ND</sup> ANNUAL REPORT**

**2022-2023**

**SHALIMAR AGENCIES LIMITED**

# SHALIMAR AGENCIESLIMITED

CIN:L72100TG1981PLC114084

## Key Managerial Personnel (K.M.P)

## CORPORATE INFORMATION

Ms. Janaki Yarlagadda (Appointed as Whole-time Director w.e.f 23-07-2022)	Whole-time– Executive	(DIN: 02129823)
Mr. Manoj Sandilya Telakapalli (Appointed as Director w.e.f 23-07-2022)	Whole-time– Executive	(DIN: 09630299)
Mr. Nomula Srinivas (Appointed as Whole-time Director w.e.f 23-07-2022)	Whole-time– Executive	(DIN: 07496152)
Mr. Mayank Puran Chandra Joshi 07830843 (Appointed as Director w.e.f 30-09-2021)	Independent & Non-Executive	(DIN:
Mr. VemuriVenkataRajani Kumar (Resigned as Whole-time Director & CFO w.e.f 14.07.2023)	Whole-time – Executive	(DIN: 07363756)
Mr. Kotti Narendra (Resigned as Managing Director w.e.f 19.05.2022)	Managing Director	ss(DIN: 07178324)
Mr. Siva Prasad Gorthy (Appointed as Director w.e.f 30-09-2021)	Independent & Non-Executive	(DIN: 09137211)
Mrs. ArunaGaminiYanamandra (Women Director) (Appointed as Director w.e.f 30-07-2021)	Independent (Non-Executive)	(DIN: 09136437)

Ms. SurabhiDayal

Company Secretary & Compliance Officer

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**CORPORATE IDENTITY NUMBER (CIN)**L72100TG1981PLC114084

## ISIN

INE631E01016

## REGISTERED OFFICE

Plot no.19, Sanali Spazio, Software unit Layout, Cyber Tower Area,  
Madhapur, Madhapur Shaikpet Hyderabad TG 500081 IN

## CONTACT DETAILS

Contact No: +91 - 90300 57374

E-Mail:shalimaragenciesltd@gmail.com

Website:www.shalimaragencieslimited.com

## AUDITORS

**M/s. P C N & Associates.**

Chartered Accountants

Plot No. 12, "N Heights",

Ground Floor, Software Layout Unit,

Cyberabad, Hyderabad-500081, Telangana

# SHALIMAR AGENCIESLIMITED

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## **BANKERS**

HDFC Bank Ltd, Hyderabad (Telangana)

## **LISTING**

BSE Limited

Metropolitan Stock Exchange of India Limited

Calcutta Stock Exchange Limited

## **REGISTRAR & SHARE TRANSFER AGENTS**

**Aarathi Consultants Pvt. Ltd.,**

1-2-285, Domalguda, Hyderabad - 500 029, Ph : 040 - 27642217, 27638111 Fax : 040 - 27632184

E-mail :info@aarthiconsultants.com

## **AUDIT COMMITTEE (AS ON 31-03-2023)**

Mr. Siva Prasad Gorthy	-	Chairman
Ms. Aruna Gamini Yanamandra	-	Member
Mr. Mayank Puran Chandra Joshi	-	Member

## **NOMINATION & REMUNERATION COMMITTEE(AS ON 31-03-2023)**

Mr. Siva Prasad Gorthy	-	Chairman
Ms. Aruna Gamini Yanamandra	-	Member
Mr. Mayank Puran Chandra Joshi	-	Member

## **STAKEHOLDER RELATIONSHIP COMMITTEE(AS ON 31-03-2023)**

Mr. Siva Prasad Gorthy	-	Chairman
Ms. Aruna Gamini Yanamandra	-	Member
Mr. Manoj Sandilya Telakapalli	-	Member

## **INDEPENDENT DIRECTORS COMMITTEE (AS ON 31-03-2023)**

Mr. Siva Prasad Gorthy	-	Chairman
Ms. Aruna Gamini Yanamandra (ID)	-	Member
Mr. Mayank Puran Chandra Joshi	-	Member

# SHALIMAR AGENCIES LIMITED

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## NOTICE

NOTICE is hereby given that the 42<sup>nd</sup> Annual General Meeting of the Shareholders of Shalimar Agencies Limited will be held on Saturday, the 30<sup>th</sup> Day of September, 2023 at 12.30P.M.at Plot No. 38, 5th Floor Software Units Layout, Hitech City, Madhapur Madhapur Shaikpet Hyderabad TG 500081 IN to transact the following business:

### ORDINARY BUSINESS(S)

- Item 1.** To consider and adopt the Audited Financial Statements of the Company for the Financial Year 2022-23 together with all schedules and notes attached thereto, along with the Report of the Board of Directors and Auditors thereon.
- Item 2.** To appoint a Director in place of Mrs. Janaki Yarlagadda (DIN: 02129823) who retires by rotation and being eligible, offers herself for re-appointment.
- Item 3.** To appoint a Director in place of Mr. Nomula Srinivas (DIN: 07496152) who retires by rotation and being eligible, offers himself for re-appointment.

Place: Hyderabad  
Date: 02-09-2023

For and on Behalf of the Board  
**SHALIMAR AGENCIES LIMITED**  
Sd/-  
**Manoj Sandilya Telakapalli**  
Director  
(DIN: 09630299)

### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.  
  
A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
2. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days 'written notice is given to the Company.
3. Corporate members intending to send their authorized representatives to attend the meeting are

# SHALIMAR AGENCIES LIMITED

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requested to send a certified copy of Board Resolution authorizing their representatives to attend and vote on their behalf in 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.

4. The record date (cut-off date) to identify the members eligible to participate and cast their vote is Monday, 25<sup>th</sup> September, 2023.
5. Members/Proxies should bring the enclosed Attendance Slip duly filled in for attending the meeting along with the copy of the Annual Report.
6. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number(s) in the Attendance Slip for attending the meeting.
7. Members are requested to notify change of address, if any, with pin-code to the Company or to its Registrar and Share Transfer Agent quoting reference of their folio number and in case their shares are held in dematerialized form, this information should be passed on to their respective Depository Participants.
8. The Company has designated an exclusive email ID shalimaragenciestd@gmail.com which would enable the investors/ shareholders to post their grievances, if any, by quoting their Registered Folio Number, Client ID, and Number of shares. However, it may be noted that the Company would not respond to any kind of malicious allegations made by the shareholders with ulterior motives. Members intending to seek clarifications at the Annual General Meeting concerning the accounts and any aspect of operations of the Company are requested to send their questions in writing to the Investor Relations Department so as to reach the Company at least 7 days in advance before the date of the Annual General Meeting, specifying the point(s).
9. Securities and Exchange Board of India (SEBI) has issued a circular clarifying that it shall be mandatory for the transferee(s) to furnish copy of Permanent Account Number (PAN) card to the Company/Registrar and Transfer Agent of the Company for registration of transfer of shares in the physical mode. Members may please take a note of the same.
10. All relevant documents referred in the Notice shall be open for inspection by the members at the Registered office of the Company during the normal business hours (10.00 A.M to 6.00 P.M) on all working days (except Saturdays) upto the date of AGM of the Company and shall also be available at the meeting.
11. A Route Map showing direction to reach the venue of 42<sup>nd</sup> Annual General Meeting is given in the Annual Report as per the requirement of the Secretarial Standard-2 on General Meeting.
12. To Support 'Green Initiative,' the Company will send Notices / Documents / Annual Reports, etc., to the shareholders through email, wherever the email addresses are available; and through other modes of services where email addresses have not been registered. Accordingly, members are requested to support this initiative by registering their email addresses in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with the Company's Registrar and Transfer Agent, Aarthi Consultants Private Limited, 1-2-285, Domalguda Hyderabad-500029, in case, a Member wishes to receive a physical copy of the said documents, such Member is requested to send an e-mail duly quoting his/her DP ID and Client ID or the Folio number, as the case may be, to shalimaragenciestd@gmail.com. The Members may also note that the said notice & Reports are also being uploaded on the website of the Company at <http://www.shalimaragenciestd.com>. Annual Report of the company for FY 2022-23 is uploaded in the website of the company.
13. Pursuant to Section 72 of the Companies Act, 2013, Members who hold shares in the physical form

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can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest, to avail the nomination facility by filling form SH-13. Members holding shares in the dematerialized form may contact their Depository Participant for recording the nomination in respect of their holdings.

14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form shall submit their PAN details to the Company/ Registrar and Transfer Agent.
15. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2022-23 is being sent through electronic mode to those Members whose email addresses are registered with the Company/Depositories and to others through other modes.
16. The Company has appointed Mrs. Sarada Putchu, Practicing Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast.

## THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on 10.00 a.m. on 27<sup>th</sup> September 2023 and will end at 5.00 p.m. on 29<sup>th</sup> September 2023. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 25<sup>th</sup> September 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The results shall be declared within 48 Hours from the Conclusion of the Annual General Meeting. The results along with the Scrutinizer's Report shall also be placed on the website of the Company.
- (iii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iv) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (v) Click on "Shareholders" module.
- (vi) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login – My easi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (vii) Next enter the Image Verification as displayed and Click on Login.
- (viii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- (ix) If you are a first time user follow the steps given below:

<b>For Shareholders holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

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	<ul style="list-style-type: none"><li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li></ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"><li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li></ul>

- (x) After entering these details appropriately, click on "SUBMIT" tab.
- (xi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (xii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xiii) Click on the EVSN for the relevant SHALIMAR AGENCIES LIMITED on which you choose to vote.
- (xiv) 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.
- (xv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xvi) 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.
- (xvii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xviii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xix) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xx) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.



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PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [shalimaragenciesltd@gmail.com](mailto:shalimaragenciesltd@gmail.com)/ [info@aarthiconsultants.com](mailto:info@aarthiconsultants.com).

(i) For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [shalimaragenciesltd@gmail.com](mailto:shalimaragenciesltd@gmail.com)/ [info@aarthiconsultants.com](mailto:info@aarthiconsultants.com)

CDSL Contact details for queries relating to E-Voting:

Mr. Rakesh Dalvi, Manager

Address: 16th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400001.

Email ID: [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) Phone number: 18002005533

## General Instructions:

- (i) Members can opt for only one mode of voting, i.e., either by Physical Ballot E-Voting. In case Members cast their votes through both the modes, voting done by E-Voting shall prevail and votes cast through Physical Ballot will be treated as invalid.
- (ii) The facility for voting through Polling Paper shall also be made available at the meeting and the members attending the meeting who have not already cast their vote by E-Voting shall be able to exercise their right at the meeting.
- (ii) The member who cast their vote by E-Voting prior to the meeting may also attend the meeting, but shall not be entitled to cast their vote again.
- (iv) The Scrutinizer shall, immediately after the conclusion of voting at the meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman, who shall countersign the same.
- (v) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.shalimaragencieslimited.com](http://www.shalimaragencieslimited.com) and on the website of CDSL [www.cdslindia.com](http://www.cdslindia.com) immediately after the results are declared. The Company shall simultaneously forward the results to BSE Limited, MSEI Limited and CSE Limited, where the equity shares of the Company are listed.
- (vi) The resolutions listed in the Notice of the AGM shall be deemed to be passed on the date of the AGM, subject to the receipt of the requisite number of votes in favor of the respective resolutions.

Place: Hyderabad

Date: 02-09-2023

For and on Behalf of the Board

SHALIMAR AGENCIES LIMITED

Sd/-

Manoj Sandilya Telakapalli

Director

(DIN: 09630299)

# SHALIMAR AGENCIES LIMITED

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## DIRECTORS REPORT

The Directors present their 42<sup>nd</sup> Annual Report along with Audited Statements of Accounts for the Financial Year ended 31st March, 2023.

### FINANCIAL RESULTS

The performance of the Company is as follows:(Amount in Rs.000's)

Particulars	2022-23	2021-2022
Income	--	--
Expenditure	861.49	1,072.10
Profit before Tax	(861.49)	(1,072.10)
Current Year Tax	(3.97)	(3.02)
Profit after Tax	(857.52)	(1,069.08)

### COMPANY PERFORMANCE

Your Company posted financial results during the year under review. There were no Operations during the Financial Year 2022-2023 and incurred Loss Rs. 857.52/- Thousands as compared to Previous Years Loss of Rs. 1069.08/- Thousands.

### DIVIDEND

The Company does not have adequate profits for the year under review hence decided not to declare any dividend.

### TRANSFER TO RESERVES

In view of the losses incurred by the Company during the year, the Board of Directors did not propose to transfer any amount to reserves for the period under review.

### FIXED / PUBLIC DEPOSITS

The Company has not accepted any deposits falling within the meaning of Sec. 73, 74 & 76 of the Companies Act, 2013 read with the Rule 8(v) of Companies (Accounts) Rules 2014, during the Financial Year under review.

### CAPITAL STRUCTURE

During the financial year under review, The capital of the Company has remain unchanged and the Authorized Share Capital of Company is Rs. 70,00,00,000/- (7,00,00,000 Equity Shares of Rs.10/- each) and the Paid Up capital of Company is Rs. 3,00,10,000/- (30,01,000 Equity Shares of Rs. 10/- each).

### MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes affecting the financial position of the Company subsequent to the close of the financial year 2023 till the date of this report.

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## SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORY AUTHORITIES/COURTS

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

## EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in **Form MGT-7** is available on the Company Website([www.shalimaragencieslimited.com](http://www.shalimaragencieslimited.com)).

## AUDIT

### STATUTORY AUDIT:

The provisions of Section 139(2) of the Companies Act 2013 and the Rules made there-under, mandated the Company to rotate its Statutory Auditors and Board of Directors of the Company (on recommendation of Audit Committee) in its meeting 05-09-2020 (which was ratified by the shareholders in the 39th Annual General meeting to held on 30th September 2020), approved the appointment of M/s. P C N & Associates., (FRN: 016016S), Chartered Accountants, as the Statutory Auditors of the Company for a period of Five Years.

However, pursuant to the amendments made to Section 139 Act, by the Companies (Amendment) Act, 2017, effective from May 7, 2018, the requirement of seeking ratification of the members for appointment of Statutory Auditors has been withdrawn. In view of the same, the ratification of members for continuance of appointed M/s. P C N & Associates, Chartered Accountants, as the Statutory Auditors of the Company, is not being sought

In this Regard, M/s. PCN & Associates, has provided a declaration stating that they are not disqualified to continue to act as the Statutory Auditors of the Company.

### COST AUDIT

Cost Audit is not applicable to your Company.

### SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Sarada Pucha, Practicing Company Secretary to conduct the Secretarial Audit of the Company for the year ended 31st March, 2023.

The Secretarial Audit Report in **Form MR 3** is annexed herewith as "**Annexure II**" to this report and contains no qualification, reservation or adverse remarks.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and nature of its operations. The scope and authority of the Internal Audit function is defined by the Audit Committee. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Based on the suggestions of internal audit function, Management undertakes corrective action in their respective areas and thereby strengthens the controls.

## **POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION**

The Current policy is to have an appropriate mix of Executive and Independent Directors to maintain the Independence of the Board, and separate its functions of Governance and Management. As on date of this report your Board consists of 6 Directors including 3 Executive Director and 3 are Independent Non-Executive Directors (including a Women Director).

The Policy of the Company on Appointment and Remuneration, including criteria for determining qualifications, positive attributes, independence of directors and other matters, as required under Section 178 (3) of the Companies Act, 2013 has been framed by the Company. We affirm that the Remuneration paid to the Directors is as per terms laid out in the Nomination and Remuneration Policy.

## **DECLARATION BY INDEPENDENT DIRECTORS**

All the Independent Directors have given a declaration that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013 read with the rules made thereunder and Regulation 16 of SEBI (LODR) Regulations, 2015.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The Particulars of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All contracts/ arrangements/ transactions entered by the Company during the Financial Year with related parties were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act and SEBI (LODR) Regulations. The prior approval of the Audit committee was sought for all related party transactions.

During the financial year ended 31st March, 2023, there have been no related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

Detailed information about the Related Party Transactions is enclosed in **Form AOC 2** as "**Annexure III**" to this report.

## **NON – APPLICABILITY OF CORPORATE GOVERNANCE**

As per the SEBI Circular CIR/CFD/POLICYCELL/7/2014 dated 15th September, 2014, the Paid-Up Capital of the Company is less than Rs. 10 Crores and Net worth being less than Rs. 25 Crores, Corporate Governance and its report is Not Applicable to the Company.

## **SUBSIDIARIES / JOINT VENTURE / ASSOCIATES**

During the Year under review, there were no Subsidiaries / Associates / Joint Ventures of our Company.

Quebec Tech Solutions LLP (formerly known as Quebec Tech Solutions Private Limited) was holding 60.57% of shareholding in the Company. By virtue of takeover of the Company from M/s Quebec Tech Solutions Private Limited by M/s IT Trailblazers Resources Private Limited. The holding Company of the

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Company is now M/s IT Trailblazers Resources Private Limited. The Reclassification of Promoters is yet to be approved by the exchanges.

## **CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

### **Conservation of Energy:**

The Company is monitoring the consumption of energy and is identifying measures for conservation of energy.

- (i) The steps taken by the company for utilizing the alternate sources of energy – Nil
- (ii) The capital investment on energy conservation equipments – Nil

### **Technology Absorption, adaptation and innovation:-**

Indigenous Technology is involved for the manufacturing the products of the Company.

**Research and Development (R & D):** No research and Development has been carried out.

**Foreign exchange earnings:** Rs. Nil

**Foreign exchange out go:** Rs. Nil

## **RISK MANAGEMENT**

The Company has adopted a Risk Management Plan for implementation of Enterprise Risk Management (ERM) framework. As per the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the Board shall establish a Risk Management Plan/ Policy and the Risk Management Committee shall evaluate the Risk Management systems periodically.

In line with this requirement, the Board is responsible for initiating and instituting the ERM framework and setting the requisite tone at the top for implementation of the ERM framework. Further, the Board shall be responsible for overseeing measures for managing risk. The Plan also envisages a key role for the Risk Management Committee which shall periodically (at least annually) review the adequacy of Risk Management Systems, recommend improvements if needed, discuss with external consultants, Internal Auditors to test the adequacy and effectiveness of the Risk Management System.

Business risk, inter-alia, further includes financial risk, political risk, fidelity risk, legal risk. As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same.

## **CORPORATE SOCIAL RESPONSIBILITY**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions under section 135 of the Companies Act, 2013 are not applicable to the company.

## **ADEQUACY OF INTERNAL FINANCIAL CONTROL SYSTEM**

The Company has in place adequate internal financial controls commensurate with the size and needs of the business. These controls ensures the orderly and efficient conduct of its Business, including adherence to the Company's policies, identification of areas of improvement, safeguarding of its assets from unauthorized use, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial statements and / or disclosures.

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

The Company has a Whistle Blower Policy framed to deal with instance of Fraud and Mis-Management, if any in the Group pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 & 34 (3) of SEBI (LODR) Regulations, 2015. The details of the Policy

# SHALIMAR AGENCIESLIMITED

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are posted on the website: www.shalimaragencieslimited.com. Employees can report to the Management concerned unethical behaviour, act or suspected fraud or violation of the Company's Code of Conduct Policy no employee has been denied access to the Audit Committee.

## **PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL ACT, 2013**

The Company has in place an anti-sexual harassment policy in line with the requirements of the Sexual Harassment of Women at the work place (Prevention, Prohibition and Redressal)Act, 2013.All Employees(Permanent, Contractual, temporary, Trainees) are covered under this policy. There was no case of sexual harassment reported during the year under review.

## **BOARD MEETINGS**

The Board of Directors duly met 7(Seven ) times in the FY 2022-2023 and in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

### **Board Meetings during the FY 2022-2023:**

1	18.05.2022	2	23.07.2022	3	09.08.2022
4	03.09.2022	5	03.11.2022	6	14.11.2022
7	13.02.2023				

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the financial year under review, the following changes occurred in the Board of Directors

### **Appointment:**

1. Mr. Kotti Narendra (DIN: 07178324) was resigned as Managing Director of the Company with effect from 19.05.2022.
2. Mr. VemuriVenkataRajani Kumar (DIN: 07363756) was resigned as Whole Time Director and CFO of the Company with effect from 14-07-2023.

## **DIRECTORS' RESPONSIBILITY STATEMENT:**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2022-2023

Accordingly, pursuant to Section 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (i) In the preparation of the annual accounts the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) They have, selected such accounting policies as mentioned in the notes to the financial statements and applied consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2022-2023 and of the loss of the Company for that period;

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- (iii) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities. The annual accounts for the year 2022-2023 have been prepared on a going concern basis.
- (iv) They have laid down proper internal financial control to be followed by the Company and that the internal financial controls were adequate and are operating effectively.
- (v) They have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

## COMPLIANCE DEPARTMENT:

Details of complaints/ requests received, resolved and pending during the Financial Year 2022-2023:

During the year	Received	Resolved	Pending
2022-23	Nil	Nil	Nil

The compliance department of the company is responsible for independently ensuring that the operating and business units comply with regulatory and internal guidelines. New instructions/guidelines issued by the regulatory authorities were disseminated across the company to ensure that the business and business units operate within the boundaries set by the regulators and that compliance risks are suitably monitored and mitigated in course of their activities & processes.

## COMMITTEES

### Audit Committee (As on 31-03-2023)

The purpose of the Audit Committee is to assist the Board of Directors in reviewing the financial information which will be provided to the Members and others, reviewing the systems of internal controls established in the Company, appointing, retaining and reviewing the performance of internal accountants/internal auditors and overseeing the Company's accounting and financial reporting process and the audit of the Company's financial statements.

The power and terms of reference of the Audit Committee are as mentioned in Regulation 18 and Part C of Schedule II of SEBI (LODR) Regulations, 2015, read with Section 177 of the Companies Act, 2013.

During the FY 2022-2023, Audit committee met on 4 (Four) times in the FY 2022-2023 on

1	18.05.2022	2	09.08.2022
3	14.11.2022	4	13.02.2023

The Composition is as follows:

Name	Designation	Category
Mr. Siva Prasad Gorthy	Chairman	Independent Non Executive
Ms. Aruna Gamini Yanamandra	Member	Independent Non Executive
Mr. Mayank Puran Chandra Joshi	Member	Independent Non Executive

# SHALIMAR AGENCIES LIMITED

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## **Nomination & Remuneration Committee(As on 31-03-2023)**

The power and terms of reference of the Nomination and Remuneration Committee are as mentioned in Regulation 19 and part D of Schedule II of SEBI (LODR) Regulations, 2015, read with Section 178 of the Companies Act, 2013

### **Terms of reference:**

The main term of reference of the Committee is to approve the fixation/revision of remuneration of the Managing Director/Whole Time Director of the Company and while approving:

To take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.

To bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.

### **Remuneration Policy:**

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit. The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered, individual performance etc.

Remuneration to the Managerial Personnel for the financial year 2022-23– Stated in “**Annexure III**”

During the FY 2022-2023, the Nomination and Remuneration Committee Meeting was held on

1	18.05.2022	2	09.08.2022
3	14.11.2022	4	13.02.2023

The Composition is as follows:

Name	Designation	Category
Mr. Siva Prasad Gorthy	Chairman	Independent Non Executive
Ms. Aruna Gamini Yanamandra	Member	Independent Non Executive
Mr. Mayank Puran Chandra Joshi	Member	Independent Non Executive

## **Stakeholders Relationship Committee (As on 31-03-2023)**

### **The Powers of the Committee are as follows:**

The power and terms of reference of the Stakeholders Relationship Committee are as mentioned in Regulation 20 and part D of Schedule II of SEBI (LODR) Regulations, 2015.

### **The Committee has been delegated with the following powers:**

To redress shareholder and investor complaints relating to transmission of Shares, Dematerialization of Shares, non-receipt of Annual Reports, non-receipt of declared dividend and other allied complaints etc.

To approve, transmission, and issue of duplicate / fresh share certificate(s) Consolidate and sub-



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division of share certificates etc.

To redress, approve and dispose off any, other complaints, transactions and requests etc., received from any shareholder of the company and investor in general.

The Board has delegated the power to process the transmission of Shares to the Registrar and Share Transfer Agents of the Company; **Aarthi Consultants Pvt. Ltd.**,1-2-285, Domalguda, Hyderabad - 500 029.Ph : 040 - 27642217, 27638111 Fax : 040 - 27632184

The Company has designated an exclusive E-mail ID shalimaragenciesltd@gmail.com for Complaints / Grievances.

During the FY 2022-2023, 4 meeting(s) of the Stakeholders Relationship Committee Meeting on

1	18.05.2022	2	09.08.2022
3	14.11.2022	4	13.02.2023

The Composition is as follows

Name	Designation	Category
Mr. Siva Prasad Gorthy	Chairman	Independent Non Executive
Ms. Aruna Gamini Yanamandra	Member	Independent Non Executive
Mr. Manoj Sandilya Telakapalli	Member	Director

#### **Declaration from Independent Directors on Annual Basis:**

**FY2022-2023**–The Company has received a declaration from Mr. Siva Prasad Gorthy, Ms. Aruna Gamini Yanamandra and Mr. Mayank Pura Chandra Joshi – Independent Non-Executive Directors of the Company to the effect that they are meeting the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013.

The Composition is as follows:

Name	Designation	Category
Mr. Siva Prasad Gorthy	Chairman	Independent Non Executive
Ms. Aruna Gamini Yanamandra	Member	Independent Non Executive
Mr. Mayank Pura Chandra Joshi	Member	Independent Non Executive

#### **DECLARATION BY DIRECTOR OF AFFIRMATION BY DIRECTORS AND SENIOR MANAGEMENT PERSONNEL OF COMPLIANCE WITH THE CODE OF CONDUCT**

The Company do hereby declare that the directors and senior management of the Company have exercised their authority and powers and discharged their duties and functions in accordance with the requirements of the code of conduct as prescribed by the company and have adhered to the provisions of the same.

#### **ACKNOWLEDGMENT**

Your Directors place on record their appreciation for the valuable support extended by various

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departments viz., Central and State Governments, Stock Exchanges, SEBI, NSDL, CDSL, RTA, Banks, Auditors and other Regulatory Bodies etc for their continued support to the Company's growth.

The Directors record their special appreciation to all employees for their efforts and contribution towards the growth and achieving this performance.

Your Directors also wish to express their thanks to the Shareholders for the confidence which they reposed in them.

**Place: Hyderabad**

**Date: 02-09-2023**

**Nomula Srinivas  
Whole Time Director  
(DIN: 07496152 )**

**For and on Behalf of the Board**

**SHALIMAR AGENCIES LIMITED**

**Sd/-**

**Manoj Sandilya Telakapalli  
Director  
(DIN: 09630299)**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This Management Discussion and Analysis Report addresses the expectations and Projections of the company for its future, about its Market Position, Market Development and Penetration, Expenditure, Financial Results, Risks and Concerns etc. However, the expectations shared herein are not limited to the Company's Growth. The Company's actual results, performance or achievements could differ from those shared herein.

Along with this noticeable acceleration in the growth rate of the Indian economy, India's per capita income has increased at a rapid pace, levitating India into the middle-income category thus strengthening the economy even further from its roots. Simultaneously, the rising consumer demand has provided a further growth avenue for Indian firms making the domestic economy more robust.

However, while the long-term story remains positive, there are challenges in the short-term that will need to be addressed. These include high inflation, rising commodity prices, all time high oil prices, increasing fiscal deficits, global uncertainties and a variable domestic political scenario. However, given the structural shifts that have already taken place across the economy, we believe that we today stand on a strong foundation that will support sustained growth despite the short-term challenges that may emerge time and again.

On the other hand, our Management declares that, the financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 guidelines issued by the Securities Exchange Board of India (SEBI) and the Generally Accepted Accounting Principles (GAAP) in India.

### Capital Market

The Indian financial sector is demonstrating sustained momentum. In recent years, reforms in the equity capital markets including continuous strengthening of the regulatory environment by SEBI, market-determined prices and allocation of resources, screen-based nation-wide trading, T+2 settlement, scripless settlement and electronic transfer of securities, rolling settlement and derivatives trading have greatly improved the efficiency of trading and settlement. The industry is also becoming more vibrant, with new categories of products and services being offered to meet the needs of an emerging economy.

In addition, the growth of the economy and Indian corporations has coincided with a sharp increase in foreign direct investment, including significant participation from private equity firms, a marked increase in investment in the real estate sector, increasing M&A activity, strong equity IPO market and a growing demand for credit from both corporations and consumers. With it, there has been a proliferation in the presence of intermediaries such as investment banks and securities firms that closely monitor the performance of the markets and provide extensive fundamental and technical research on the economy, sectors and companies. All of this has contributed significantly to the growth of the Indian capital markets.

### Equity Market

The equity market comprising Private Equity, Primary Offerings and Secondary Offerings has emerged as one of the most preferred mode of fund mobilization for India Inc. Real estate, infrastructure, banking and financial services were the dominant sectors attracting about 55% of the total private equity investments.

The Indian equity markets have witnessed a strong rally since 2014 with the benchmark BSE Sensex crossing the 65,000 mark setting a historical high. Though the markets have seen some correction since then, the underlying drivers for the market, viz. strong domestic economic growth and growing corporate profitability remain intact, leading to committed international and domestic investor interest.

### Industry Overview

The Company with its full capacity is venturing in to the business of computer and related services. The Company is carrying out business of providing outsourcing services for all processes, sub Processes, transactions, activities and all other work performed by business in various industries within India and across the world. This includes those process or sub processes that are enabled by information technology. It also includes data, voice or video collection and processing, call centre services including in bound and out bound calling services of all kinds, technical support, managed data centre, managed technical Centre, training centre, web support back office, business or financial analysis, scientific analysis, research work and analysis, storage, disaster recovery, accounting, pay roll, inventory management, customer relationship management, enterprises resources planning and to develop software, provide consultancy, software solution and services that are normally offered by the outsourcing business and information technology services providers, the software development houses and application services providers in India and abroad.

### Outlook

We continue to remain optimistic about the long-term India story and the opportunities that it will offer across sectors. The computer and related services sector is expected to grow rapidly in an expanding economic environment. However, in the short-term from time-to-time there will be challenges that will temper the outlook in the interim term. The economic environment and the capital markets in India have done extremely well over the last five years and some level of moderation is likely to take place in the short-term given the current macro-economic trends in both domestic and international markets.

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## Human Resources

The Company recognizes that its people have played a big role in making what the Company is today and therefore it accords top priority to attract and retain talent. The Company puts great emphasis on training and development of its employees to enhance efficiency. The Company believes in providing a fair compensation in line with industry norms and rewards them for good performance.

## Risk and Concerns

The company has in place a robust risk management framework with overall governance and oversight from the Audit Committee and Board of Directors. Risk Assessment is conducted periodically & Company has a mechanism to identify, assess, mitigate and monitor various risks to key business objectives. Risk Assessment is a combination of bottom-up and top-down view of key risks facing the business across all segments and functions. All the risks were reviewed and assigned probability of materialization and potential impact based on deliberations with business leaders and independent assessment. Mitigation plans are designed, implemented and monitored on quarterly basis.

## Internal Control System

The Company has an adequate internal audit and control system. The Internal audits are conducted by firms of Chartered Accountants, ably supported by an internal team staffed with qualified and experienced people. All operational activities are subject to internal audits at frequent intervals.

The existing audit and inspection procedures are reviewed periodically to enhance their effectiveness, usefulness and timeliness. The Company has a centralized Compliance Department which ensures compliance with all the applicable laws. In addition, it provides advice on general regulatory matters including formulating policies on prevention of Insider Trading, etc.

## Cautionary Statement

Statements in this Management Discussion and Analysis Report may be forward looking statements: within the meaning of applicable securities laws and regulations. These statements are based on certain assumption and expectations of future events. Actual results could differ materially from those expressed or implied. Important facts that could make a difference at Company's operations include economic conditions affecting domestic demand and supply conditions, finished goods prices, changes in government regulations and tax regime etc. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of subsequent developments, information or events.

## Distribution Schedule as on 31.03.2023

SHALIMAR AGENCIES LIMITED						
DISTRIBUTION SCHEDULE AS ON 31/03/2023						
(To be made out for each class of security)						
CONSOLIDATED						
Total Nominal Value Rs. 3,00,10,000.00, Nominal Value Of Each Share/Unit 10.00/-						
Total Number Of Shares/Units 3001000, Paid Up Value Per Share/Unit Rs. 10.00/-						
Distinctive No(s) From 1 TO 3001000						
SL NO	CATEGORY	HOLDERS	HOLDERS PERCENTAGE	SHARES	AMOUNT	AMOUNT PERCENTAGE
1	1 - 5000	521	93.87	32981	329810	1.1
2	5001 - 10000	7	1.26	5654	56540	0.19
3	10001 - 20000	7	1.26	8586	85860	0.29
4	20001 - 30000	1	0.18	2426	24260	0.08
5	50001 - 100000	2	0.36	16560	165600	0.55
6	100001 & Above	17	3.06	2934793	29347930	97.79
	<b>Total:</b>	<b>555</b>	<b>100</b>	<b>3001000</b>	<b>30010000</b>	<b>100</b>

## Shareholding Pattern as on 31.03.2023 is as follows:

Category of shareholder	No. of shareholders	No. of fully paid up equity shares held	Total no. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) as a % of (A+B+C2)	No. of Voting Rights	Total as a % of Total Voting right	No. of equity shares held in dematerialized form
(A) Promoter & Promoter Group	1	18,67,738	18,67,738	62.24	18,67,738	62.24	18,67,738
(B) Public	561	11,33,262	11,33,262	37.76	11,33,262	37.76	10,68,162
(C1) Shares underlying DRs				0.00		0.00	
(C2) Shares held by Employee Trust				0.00		0.00	
(C) Non Promoter-Non Public				0.00		0.00	
Grand Total	562	30,01,000	30,01,000	100.00	30,01,000	100.00	29,35,900

# SHALIMAR AGENCIES LIMITED

CIN:(L51226TG1981PLC114084)

## WTD / CFO CERTIFICATION

I, **NOMULA SRINIVAS**, Whole Time Director (DIN: 07496152) of Shalimar Agencies Limited to the best of our knowledge and belief, certify that:

1. I have reviewed the financial statements for the year and that to the best of our knowledge and belief:

(a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(b) These statements present a true and fair view of the state of affairs of the Company and of the results of the operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including accounting standards, applicable laws and regulations.

2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of Company's code of conduct.

3. We accept overall responsibility for establishing and monitoring the Company's internal control system for financial reporting and evaluating its effectiveness. Internal Audit function monitors the internal control system for financial reporting, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal Audit works with all levels of management and Statutory Auditors, and reports significant issues to the Audit Committee of the Board. The Auditors and Audit Committee are apprised of any corrective action taken with regard to significant deficiencies and material weakness.

4. We indicate to the Auditors and to the Audit Committee:

(a) Significant changes in internal controls over financial reporting during the year;

(b) Significant changes in the accounting policies during the year;

(c) No instances of significant fraud of which we have become aware of and which involve the management or other employees who have significant role in the Company's internal control system over financial reporting.

**Place: Hyderabad**

**Date: 02-09-2023**

**For and on Behalf of the Board**

**SHALIMAR AGENCIES LIMITED**

Sd/-

**NOMULA SRINIVAS**

**Whole Time Director**

**(DIN: 07496152)**

# SHALIMAR AGENCIES LIMITED

CIN:(L51226TG1981PLC114084)

## FORM No. MR-3 SECRETARIAL AUDIT REPORT

(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)

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2023**

To,  
The Members,

SHALIMAR AGENCIES LTD  
Plot no.19, Sanali Spazio, Software unit Layout,  
Cyber Tower Area, Madhapur, Shaikpet  
Hyderabad TELANGANA 500081 INDIA

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Shalimar Agencies Ltd (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended March 31, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the applicable provisions of:

- 1) The Companies Act, 2013 ('the Act') and the rules made there under;
- 2) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- 3) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- 4) Foreign Exchange Management Act, 1999 and the rules and regulations made there under;
- 5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- (6) Contract Labour (Regulation and Abolition) Act, 1970
- (7) Employees State Insurance Act, 1948
- (8) Employees Compensation Act, 1923
- (9) Employees Provident Fund and Miscellaneous Provisions Act, 1952
- (10) Factories Act, 1948
- (11) Industrial Disputes Act, 1947
- (12) Industrial Employment (Standing Orders) Act, 1946
- (13) Indian Contract Act, 1872
- (14) Income Tax Act, 1961 and Indirect Tax Laws
- (15) Indian Stamp Act, 1999
- (16) Minimum Wages Act, 1948
- (17) Payment of Bonus Act, 1965
- (18) Payment of Gratuity Act, 1972
- (19) Payment of Wages Act, 1936

# SHALIMAR AGENCIES LIMITED

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. (Notified w.e.f. 1st July, 2015)
- (ii) The Listing Agreement entered into by the Company with BSE Limited

The existing Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) w.e.f. 1st December, 2015 entered into by the Company with BSE Limited. During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

All meetings were duly held in compliance with provisions of the Companies Act, 2013, rules thereof and the Secretarial Standard 1 issued by the Institute of Company Secretaries of India 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.

All the decisions in the Board meeting were taken unanimously during the audit period.

I 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 applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were no instances

- (a) Public/Right/Preferential issue of shares/debentures/sweat equity, etc.
- (b) Redemption/buy-back of securities
- (c) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (d) Merger/amalgamation/reconstruction, etc.
- (e) Foreign technical collaborations

Putchu Sarada  
Practicing Company Secretary

Place: Hyderabad  
Date: 30<sup>th</sup> August, 2023

ACS No: 21717  
CP No: 8735

**UDIN: A021717E000892224**

This Report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

**‘Annexure A’**

To,

# SHALIMAR AGENCIES LIMITED

CIN:(L51226TG1981PLC114084)

The Members,  
SHALIMAR AGENCIES LTD  
Plot no.19, Sanali Spazio, Software unit Layout,  
Cyber Tower Area, Madhapur, Shaikpet  
Hyderabad TELANGANA 500081 INDIA

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and process 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. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
5. 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.

Putcha Sarada  
Practicing Company Secretary  
ACS No: 21717  
CP No: 8735

Place: Hyderabad  
Date: 30<sup>th</sup> August, 2023  
**UDIN: A021717E000892224**



# SHALIMAR AGENCIES LIMITED

CIN:(L51226TG1981PLC114084)

## CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

For the financial year ended March 31, 2023

[Pursuant to Regulation 34(3) and Schedule V Para C Clause 10(i) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

Based on the disclosures/declarations received from Directors appointed on the Board of the Company, we hereby certify that as on March 31, 2023, none of the Directors on the Board of Company have been debarred or disqualified from being appointed or continuing as Director of the Company by Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority. Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Date: 02.09.2023**  
**Place: Hyderabad**

**Sd/-**  
**CS Putcha Sarada**  
**Company Secretary in Practice**  
**M.No: A21717; CP: 8735**  
**UDIN: A021717E000923552**

### ANNEXURE III

#### Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act 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 Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain Arms Length Transactions under third proviso thereto:

#### 1.Details of Contracts or Arrangements or Transactions not at Arms Length Basis:

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

#### 2.Details of Material Contracts or Arrangement or Transactions at Arms Length Basis:

- a) Name(s) of the related party and nature of relationship:

Name of the Party	Relationship
Janaki Yarlagadda	Whole Time Director
Nomula Srinivas	Whole Time Director
Mayank Puran Chandra Joshi	Independent Non-Executive
Aruna Gamini Yanamandra	Independent Non-Executive
Siva Prasad Gorthy	Independent Non-Executive
Manoj Sandilya Telakapalli	Director
Surabhi Dayal	Company Secretary & Compliance Officer
IT Trail Blazers Resources Private Limited	Holding Company from 08.10.2021

# SHALIMAR AGENCIES LIMITED

CIN:(L51226TG1981PLC114084)

(a) Nature of contracts/arrangements/transactions:

<i>Name of the Party</i>	<i>Relationship</i>	<i>Nature of Transaction</i>	<i>As at 31/03/2023 (Amount in 000)</i>
Surabhi Dayal	Company Secretary	CS Salary	402.350
IT Trail Blazers Resources Private Limited	Holding company	Advance Taken	8613.143
Manoj Sandilya Telakapalli	Director	Advance Taken	499.80

(b) Duration of the contracts / arrangements/transactions: **On Going (Long Term Contract)**

(c) Salient terms of the contracts or arrangements or transactions including the value: **NIL**

(d) Date(s) of approval by the Board, if any Not **applicable as these are at Arm's Length Basis** and in Ordinary Course of Business

# SHALIMAR AGENCIES LIMITED

CIN:(L51226TG1981PLC114084)

Form No. MGT -11

## PROXYFORM

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

CIN : L51226TG1981PLC114084  
Name of the company : Shalimar Agencies Limited  
Registered office : Plot no.19, Sanali Spazio, Software unit Layout, Cyber Tower Area, Madhapur, Madhapur Shaikpet Hyderabad TG 500081 IN

Name of the member(s) :  
Registered Address :  
Email Id :  
Folio No. /DP Id - Client Id :

\* Applicable for investors holding Shares in electronic form

I/We, being the member (s) of ..... Shares of the above named company, hereby appoint:

1. (Name) of (Address) having E-mail Id or failing him
2. (Name) of (Address) having E-mail Id or failing him
3. (Name) of (Address) having E-mail Id

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 42<sup>nd</sup> Annual General Meeting of the Company, to be held on the Saturday, 30<sup>th</sup> day of September, 2023 at 12.30 P.M. at Registered Office of the Company at Plot No. 38, 5th Floor Software Units Layout, Hitech City, Madhapur Madhapur Shaikpet Hyderabad TG 500081 IN and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\* I wish my proxy to vote in the manner as indicated in the box below.

	Resolution(s)	For	Against
1.	To consider and adopt the Audited Financial Statements of the Company for the Financial Year 2022-23 together with all schedules and notes attached thereto, along with the Report of the Board of Directors and Auditors thereon		
2.	To appoint a Director in place of Mrs. Janaki Yarlaga (DIN: 02129823) who retires by rotation and being eligible, offers herself for re-appointment.		
3.	To appoint a Director in place of Mr. Nomula Srinivas (DIN: 07496152) who retires by rotation and being eligible, offers himself for re-appointment.		

Signature of Shareholder:

Signature of Proxy holder(s):

Affix  
revenue  
stamp of not  
less than  
Rupees 1/-

Notes:

1. The proxy form to be effective, should be duly stamped, completed, signed and must be returned, to reach the Registered Office of the Company, not less than 48 hours before the time for holding the aforesaid meeting.
2. The Proxy need not be a Member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than 10% of the total share capital of the Company, carrying voting rights. A member holding more than 10% 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 a proxy for any other person or shareholder.

# SHALIMAR AGENCIES LIMITED

CIN:(L51226TG1981PLC114084)

## SHALIMAR AGENCIES LIMITED

2<sup>nd</sup> Floor Purva Summit, Isprout Business Centre, Survey No: 8, Whitefield Road Hitech City, Hyderabad-500081,  
Telangana, India.

### ATTENDANCE SLIP

(Please present this slip at the Meeting venue)

I hereby record my presence at the 42<sup>nd</sup> Annual General Meeting of the Company, to be held on the Saturday, the 30<sup>th</sup> Day of September, 2023 at 12.30 P.M. at Plot No. 38, 5th Floor Software Units Layout, Hitech City, Madhapur Madhapur Shaikpet Hyderabad TG 500081 IN.

Name & Registered Address of the Sole/first names shareholder

1. Name(s) of the joint shareholders if any
2. Registered Folio No / DP ID/Client ID No
3. Number of Shares held

Member / Proxy name in Block Letters

Member's / Proxy's Signature

Note: Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.

# SHALIMAR AGENCIES LIMITED

CIN:(L51226TG1981PLC114084)

**FORM NO. MGT-12**

**POLLING PAPER**

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(l)(c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company	Shalimar Agencies Limited
Registered office	Plot no.19, Sanali Spazio, Software unit Layout, Cyber Tower Area, Madhapur, Madhapur Shaikpet Hyderabad TG 500081 IN
CIN	L51226TG1981PLC114084
Date & Time	Saturday, the 30th Day of September, 2023 at 12.30 P.M
Venue	Plot No. 38, 5th Floor Software Units Layout, Hitech City, Madhapur Madhapur Shaikpet Hyderabad TG 500081 IN

I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

**Ballot Paper:**

S No	Particulars	Details
1	Name of the First Named Shareholder (In Block letters)	
2	Postal address	
3	Registered folio No. / *Client ID No. (*Applicable to investors holding Shares in dematerialized form)	
4	Class of Share	Equity Shares
5	Number of Shares	

S No	Item No.	No. of Shares held by me	1 assent to the resolution	1 dissent from the resolution
<b>Ordinary Business(s)</b>				
1.	To consider and adopt the Audited Financial Statements of the Company for the Financial Year 2022-23 together with all schedules and notes attached thereto, along with the Report of the Board of Directors and Auditors thereon			
2.	To appoint a Director in place of Mrs. Janaki Yarlagadda (DIN: 02129823) who retires by rotation and being eligible, offers herself for re-appointment.			
3.	To appoint a Director in place of Mr. Nomula Srinivas (DIN: 07496152) who retires by rotation and being eligible, offers himself for re-appointment.			

Place: Hyderabad

Date: 30.09.2023

Signature of Shareholder\*

## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of  
M/S SHALIMAR AGENCIES LIMITED**

**Report on the IND AS Financial Statements**

### **Opinion**

We have audited the accompanying IND AS Financial Statements of **SHALIMAR AGENCIES LIMITED** ("the company"), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of changes in equity for the year then ended, and notes to financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, Loss and its cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, 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 financial statements.

## **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

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

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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



the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the 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 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 sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters Specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, 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 including Other Comprehensive Income, 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 financial statements comply with the IND AS specified under Section 133 of the Act, read with relevant rules issued there under.
  - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, 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 ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - v. The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

vi. Based on the audit procedures performed 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 as above in (iv) and (v) under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

vii. The company has not declared or paid any dividend during the year.

**For P C N & ASSOCIATES**  
**Chartered Accountants**  
**FRN: 016016S**

**K. Gopala Krishna**  
**Partner**  
**M.No. 203605**  
**UDIN: 23203605BGRTUI4248**

**Place: Hyderabad**  
**Date: 25-05-2023**

## **ANNEXURE "A "TO THE INDEPENDENT AUDITOR'S REPORT**

**Annexure referred to in Independent Auditors Report to the Members of M/s. SHALIMAR AGENCIES LIMITED on the INDAS Financial Statements for the year ended 31<sup>st</sup> March 2023, we report that:**

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant & Equipment (PPE).  
  
(B) The Company does not have any intangible assets.  
  
(b) As explained to us and in our opinion PPE have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.  
  
(c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the company does not hold any immovable properties as at the Balance sheet date.  
  
(d) According to the information and explanations given to us and on the basis of our examination of records, the company has not revalued the Property Plant and Equipment or intangible assets during the period under review.  
  
(e) As per information provided, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988.
- ii. (a) The company does not hold any physical inventories as at the year end.  
  
(b) Company has not been sanctioned any working capital limits from banks or financial institution on the basis of security of current assets during the financial.

- iii. The company has not made investments in, nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- iv. The Company has not granted any loans or provided any guarantee or security to the parties covered under section 185 and 186 of the Act.
- v. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013 and rules framed there under to the extent notified.
- vi. According to information and explanations given to us and as per our opinion, the central government does not prescribe maintenance of cost records under section 148(1) of the companies Act.
- vii. (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is generally regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Custom Duty, Goods and Services Tax and other material statutory dues, as applicable, with the appropriate authorities in India ;  
  
(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Custom Duty, Goods and Services Tax and other material statutory dues in arrears as at 31<sup>st</sup> March 2023 for a period of more than 6 months from the date they became payable.  
  
(c) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax or any other material statutory dues, which have not been deposited on account of any disputes.
- viii. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the company does not have any transactions which are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) The Company has not defaulted in repayment of loan or other borrowings or on the payment of interest thereon to any lender.  
  
(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.  
  
(c) The Company has not taken term loans during the year.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

xi. (a) According to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our Audit.

(b) Since there is no fraud by the Company or no material fraud on the Company by any person has been noticed or reported during the year, paragraph 3 (xi) (b) of the Order is not applicable.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting standard IND AS 24, related party disclosures specified under section 133 of the Act, read with relevant rules issued there under.

xiv. In our opinion the company has an adequate internal audit system which commensurate with the size and nature of its business

- xv. The Company has not entered into non-cash transactions with its directors or persons connected with him.
- xvi. The Company is not required to be registered under section 45-IA of The Reserve Bank of India Act 1934.
- xvii. The Company has incurred cash losses of Rs. 817.27/- in the current year and of Rs. 1027.88/- in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, based on our knowledge of the Board of Directors' and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report and company is 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.
- xx. The company is not covered under the provisions of sec 135 of the companies act 2013.

**For P C N & ASSOCIATES**  
**Chartered Accountants**  
**FRN: 016016S**

**K. Gopala krishna**  
**Partner**  
**M.No. 203605**  
**UDIN: 23203605BGRTUI4248**

**Place: Hyderabad**  
**Date: 25-05-2023**



## **ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**

### **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 **SHALIMAR AGENCIES LIMITED** (“the Company”) as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 internal financial controls system over financial reporting of the Company.

### **Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of IND AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes these policies and procedures that (1) pertain to the maintenance of records that, in reasonable detailed, 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 Ind AS Financial Statements in accordance with generally accepted principles, and that receipts and expenditures are being made only in accordance with authorization of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Ind AS Financial Statements.

### **Inherent Limitation of Internal Financial Controls over Financial Reporting**

Because of the inherent limitation 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, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For P C N & ASSOCIATES**  
**Chartered Accountants**  
**FRN: 016016S**

**K. Gopala Krishna**  
**Partner**  
**M.No. 203605**  
**UDIN: 23203605BGRTUI4248**

**Place: Hyderabad**  
**Date: 25-05-2023**

<b>SHALIMAR AGENCIES LIMITED</b>				
<b>BALANCE SHEET AS AT 31-03-2023</b>				
(Amount in Rs. 000's except number of shares and EPS)				
	Particulars	Note No.	Figures for the period 31-03-2023	Figures for the period 31-03-2022
<b>A</b>	<b>ASSETS</b>			
	<b>Non-current assets</b>			
(a)	Property, Plant and Equipment	2.1	220.85	265.07
(b)	Capital work-in-progress			
(c)	Investment Property			
(d)	Goodwill			
(e)	Other Intangible assets			
(f)	Intangible assets under development			
(g)	Financial Assets			
(i)	Investments			
(ii)	Trade receivables			
(iii)	Loans			
(iv)	Others			
(h)	Deferred tax assets (net)	2.9	8.89	4.93
(i)	Other non-current assets			
<b>B</b>	<b>Current assets</b>			
(a)	Inventories	2.2	-	-
(b)	Financial Assets			
(i)	Investments			
(ii)	Trade receivables	2.3		
(iii)	Cash and cash equivalents	2.4	5,852.52	5,772.39
(iv)	Bank balances other than (iii) above			
(v)	Loans & Advance	2.5	34,430.42	26,027.27
(vi)	Others (to be specified)			
(c)	Current Tax Assets (Net)			
(d)	Other current assets	2.6	533.63	469.73
	<b>Total Assets</b>		<b>41,046.31</b>	<b>32,539.39</b>
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
(a)	Equity Share capital	2.7	30,010.00	30,010.00
(b)	Other Equity	2.8	(1,422.94)	(565.42)
<b>B</b>	<b>LIABILITIES</b>			
	<b>Non-current liabilities</b>			
(a)	Financial Liabilities			
(i)	Borrowings			
(ii)	Trade payables			
(iii)	Other financial liabilities (other than those specified in item (b), to be specified)			
(b)	Deferred tax liabilities (Net)	2.9		
(c)	Provisions			
(d)	Other non-current liabilities			
<b>C</b>	<b>Current liabilities</b>			
(a)	Financial Liabilities			
(i)	Borrowings			
(ii)	Trade payables			
(iii)	Other financial liabilities (other than those specified in item (c))			
(b)	Other current liabilities	2.10	12,459.25	3,094.81
(c)	Provisions	2.11	-	-
(d)	Current Tax Liabilities (Net)			
	<b>Total Equity and Liabilities</b>		<b>41,046.31</b>	<b>32,539.39</b>
<b>The accompanying notes form an integral part of the financial statements</b>				
<p>As per our report of even date For P C N &amp; Associates., Chartered Accountants Firm No: 016016S</p>		<p>For and on behalf of the Board Shalimar Agencies Limited</p>		
<p>K.Gopal Krishna Partner Membership No. 203605 UDIN:23203605BGRTUI4248</p>		<p>Janaki Yarlagadda Whole Time Director DIN : 02129823</p>		<p>Surabhi Dayal Company Secretary</p>
<p>Place: Hyderabad Date: 25-05-2023</p>		<p>Manoj Sandilya Telakapalli Director DIN:09630299</p>		

<b>SHALIMAR AGENCIES LIMITED</b>				
<b>STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2023</b>				
<b>(Amount in Rs. 000's except number of shares and EPS)</b>				
	<b>Particulars</b>	<b>Note No.</b>	<b>For the year Ended 31-03-2023</b>	<b>For the year Ended 31-03-2022</b>
I	Revenue From Operations	2.12	-	-
II	Other Income	2.13	-	-
III	Total Income (I+II)			
IV	<b>EXPENSES</b>		-	-
	Purchases of Stock-in-Trade	2.14	-	-
	Changes in inventories of finished goods,	2.15	-	-
	Employee benefits expense	2.16	-	-
	Finance costs		-	-
	Depreciation and amortization expense	2.1	44.22	44.22
	Other expenses	2.17	817.27	1,027.88
	Total expenses (IV)		<b>861.49</b>	<b>1,072.10</b>
V	Profit/(loss) before exceptional items and tax(I-IV)		(861.49)	(1,072.10)
VI	Exceptional Items			
VII	Profit/(loss) before tax (V-VI)		(861.49)	(1,072.10)
VIII	Tax expense:			
	(1) Current tax			
	(2) Deferred tax		(3.97)	(3.02)
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		(857.52)	(1,069.08)
X	Profit/(loss) from discontinued operations			
XI	Tax expense of discontinued operations			
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)			
XIII	Profit/(loss) for the period (IX+XII)		(857.52)	(1,069.08)
XIV	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	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			
XV	Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period)		(857.52)	(1,069.08)
XVI	Earnings per equity share (for continuing operation):			
	(1) Basic		(0.29)	(0.36)
	(2) Diluted			
XVII	Earnings per equity share (for discontinued operation):			
	(1) Basic			
	(2) Diluted			
XVIII	Earnings per equity share(for discontinued & continuing operations)			
	(1) Basic		(0.29)	(0.36)
	(2) Diluted			

*The accompanying notes form an integral part of the financial statements*

<p><b>As per our report of even date</b>  <b>For P C N &amp; Associates.,</b>  <b>Chartered Accountants</b>  <b>Firm No:016016S</b></p>	<p style="text-align: center;"><b>For and behalf of the board</b>  <b>Shalimar Agencies Limited</b></p>
<p><b>K.Gopal Krishna</b>  <b>Partner</b>  <b>Membership No. 203605</b>  <b>UDIN:23203605BGRTUI4248</b></p>	<p style="text-align: center;"><b>Janaki Yarlagadda</b>  <b>Whole Time Director</b>  <b>DIN : 02129823</b></p>
<p><b>Place: Hyderabad</b>  <b>Date: 25-05-2023</b></p>	<p style="text-align: center;"><b>Surabhi Dayal</b>  <b>Company Secretary</b></p> <p style="text-align: center;"><b>Manoj Sandilya Telakapalli</b>  <b>Director</b>  <b>DIN: 09630299</b></p>

**SHALIMAR AGENCIES LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023**

(Amount in Rs. 000's except number of shares and EPS)

Particulars	As at 31.03.2023	As at 31.03.2022
<b>A. Cash Flow from Operating Activities:</b>		
Net Profit before Tax and Extraordinary Items	(861.49)	(1,072.10)
Adjustments for:		
Depreciation & Amortization	44.22	44.22
Interest & Other Income		
Dividend income		
<b>Operating profit before Working Capital Changes</b>	<b>(817.27)</b>	<b>(1,027.88)</b>
Adjustments for:		
Trade and Other receivables	-	-
Inventories		
Trade payables		
Loans and Advances	(8,403.14)	
Other Current assets	(63.90)	
Other non current assets		
Other current liabilities		
Other current liabilities	9,364.44	1,021.45
<b>Cash generated from Operations</b>	<b>897.40</b>	<b>1,021.45</b>
Extraordinary Items and Tax (Provision for taxation)		
<b>Net Cash used for Operating activities</b>	<b>80.13</b>	<b>(6.44)</b>
<b>B. Cash Flow from Investing Activities:</b>		
Sale of Investments		
Interest & Other Income		
Dividend income	-	-
Decrease in loans and advances		
Short tem loans and advances	-	-
<b>Net Cash flow from Investing activities</b>	<b>-</b>	<b>-</b>
<b>C. Cash Flow from Financing Activities:</b>		
Proceeds from issue of share capital (Net)		
<b>Net Cash flow from Financing activities</b>	<b>-</b>	<b>-</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>80.13</b>	<b>(6.44)</b>
Cash and Cash Equivalents as at (Opening Balance)	5,772.39	5,778.83
Cash and Cash Equivalents as at (Closing Balance)	5,852.52	5,772.39

The accompanying notes form an integral part of the financial statements

As per our report of even date  
For P C N Associates.,  
Chartered Accountants  
Firm No: 016016S

For and on behalf of the Board  
Shalimar Agencies Limited

K.Gopal Krishna  
Partner  
Membership No.203605  
UDIN:23203605BGRUI4248

Janaki Yarlagadda  
Whole Time Director  
DIN: 02129823

Surabhi Dayal  
Company Secretary

Place: Hyderabad  
Date:25-05-2023

Manoj Sandilya Telakapalli  
Director  
DIN: 09630299



**SHALIMAR AGENCIES LIMITED**  
**NOTES FORMING PART OF BALANCE SHEET AND STATEMENT OF PROFIT & LOSS FOR THE YEAR**  
**ENDED 31.03.2023**

(Amount in Rs. 000's except number of shares and EPS)

**2.2 INVENTORIES:**

Particulars	As at 31-03-2023	As at 31-03-2022
Stock of Shares	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**2.3 TRADE RECEIVABLES:**

Particulars	As at 31-03-2023	As at 31-03-2022
(i) Other Receivables Unsecured Considered Good	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**2.4 CASH & CASH EQUIVALENTS:**

Particulars	As at 31-03-2023	As at 31-03-2022
(a) Bank Balances in (i) Current Accounts	104.26	24.13
(b) Cash on Hand	5,748.26	5,748.26
<b>Total</b>	<b>5,852.52</b>	<b>5,772.39</b>

**2.5 SHORT TERM LOANS & ADVANCES:**

Particulars	As at 31-03-2023	As at 31-03-2022
(a) <b>Loans to Unrelated Parties</b> Unsecured and considered good	24,527.27	24,527.27
(b) <b>Other Advances:</b> (i) Other Advances	8,403.14	-
(ii) Advances For Share Trading	1,500.00	1,500.00
<b>Total</b>	<b>34,430.42</b>	<b>26,027.27</b>

**2.6 OTHER CURRENT ASSETS:**

Particulars	As at 31-03-2023	As at 31-03-2022
(a) TDS Receivable	36.10	36.10
(b) Income Tax Refund	166.33	166.33
(c) Income Tax Refund (FY2014-15)	31.82	31.82
(d) TDS Received FY 2017-18	69.90	69.90
(e) TDS Receivable FY 2018-19	101.69	101.69
(f) GST Input Tax	127.80	63.90
<b>Total</b>	<b>533.63</b>	<b>469.73</b>



**SHALIMAR AGENCIES LIMITED**  
**NOTES FORMING PART OF BALANCE SHEET AND STATEMENT OF PROFIT & LOSS FOR THE YEAR**  
**ENDED 31.03.2023**

(Amount in Rs. 000's except number of shares and EPS)

**2.7 SHARE CAPITAL:**

Particulars	As at 31-03-2023	As at 31-03-2022
(A) <b>Authorised Capital:</b>	32,500.00	32,500.00
(B) <b>Issued, Subscribed &amp; Paid up Capital:</b>	30,010.00	30,010.00

**(C) Reconciliation of Number of Shares Outstanding at the beginning and end of Reporting Period**

Particulars	As at 31-03-2023		As at 31-03-2022	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Shares Outstanding at the beginning of the year	30,01,000	30,010.00	30,01,000	30,010.00
<i>Add:</i> Shares Issued during the year	-	-	-	-
	30,01,000	30,010.00	30,01,000	30,010.00
<i>Less:</i> Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>30,01,000</b>	<b>30,010.00</b>	<b>30,01,000</b>	<b>30,010.00</b>

**(D) Names of Persons who are holding more than 5% Shares in the Paid up Capital**

Name of the Shareholder	31-03-2023		31-03-2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
IT TRAILBLAZERS RESOURCES PRIVATE LIM	18,67,738	62.24	18,67,738	62.24
	18,67,738	62.24	18,67,738	62.24

**(E) Other information required to be disclosed under 6(A)(h), (i), (j), (k), (l) is NIL**

**2.8 RESERVES AND SURPLUS:**

Particulars	As at 31-03-2023	As at 31-03-2022
(A) <b>General Reserve:</b>		
Opening Balance	1,873.92	1,873.92
<i>Add:</i> Transfers during the year		
	<b>1,873.92</b>	<b>1,873.92</b>
(B) <b>Securities Premium</b>		
on Issue of Shares at premium of 1700000 Shares @ Rs. 2/- & 300000 shares @ Rs. 3.5/-	4,450.00	4,450.00
	<b>4,450.00</b>	<b>4,450.00</b>
(C) <b>Statement of Profit &amp; Loss</b>		
Opening Balance	(6,889.34)	(5,820.25)
<i>Add:</i> Net Profit for the Current Year as per statement of Profit and loss	(857.52)	(1,069.08)
	<b>(7,746.85)</b>	<b>(6,889.34)</b>
<b>Total (A) + (B) + (C)</b>	<b>(1,422.94)</b>	<b>(565.42)</b>

**2.9 DEFERRED TAX LIABILITY/(ASSET):**

Particulars	As at 31-03-2023	As at 31-03-2022
Opening Deferred Tax Liability	(4.93)	(1.91)
Add/Less: Timing Differences on account of:		
(a) Differences in Depreciation rates	(3.97)	(3.02)
<b>Total</b>	<b>(8.89)</b>	<b>(4.93)</b>

**2.10 OTHER CURRENT LIABILITIES:**

Particulars	As at 31-03-2023	As at 31-03-2022
(a) Other Payables		
(i) Outstanding Expenses	311.00	252.00
(ii) Advances	12,148.25	2,842.81
<b>Total</b>	<b>12,459.25</b>	<b>3,094.81</b>

**2.11 SHORT TERM PROVISIONS:**

Particulars	As at 31-03-2023	As at 31-03-2022
(a) Others:		
(i) Provision for Income Tax	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**SHALIMAR AGENCIES LIMITED**  
**NOTES FORMING PART OF BALANCE SHEET AND STATEMENT OF PROFIT & LOSS FOR THE YEAR**  
**ENDED 31.03.2023**

(Amount in Rs. 000's except number of shares and EPS)

**2.12 REVENUE FROM OPERATIONS:**

Particulars	For the Period Ended 31-03-2023	For the Period Ended 31-03-2022
(a) Sale of Shares	-	-
(b) Profit on Dealing in Derivatives - Futures and Options	-	-
<b>Total</b>	-	-

**2.13 OTHER INCOME:**

Particulars	For the Period Ended 31-03-2023	For the Period Ended 31-03-2022
Dividend	-	-
Others	-	-
<b>Total</b>	-	-

**2.14 PURCHASES OF STOCK IN TRADE:**

Particulars	For the Period Ended 31-03-2023	For the Period Ended 31-03-2022
(A) Purchase of Shares	-	-
<b>Total</b>	-	-

**2.15 CHANGES IN INVENTORY:**

Particulars	For the Period Ended 31-03-2023	For the Period Ended 31-03-2022
<b>Stock of Shares</b>		
Opening Stock of Traded Goods	-	-
<u>Less:</u> Closing Stock of Traded Goods	-	-
<b>Total</b>	-	-

**2.16 EMPLOYEE BENEFITS EXPENSES:**

Particulars	For the Period Ended 31-03-2023	For the Period Ended 31-03-2022
Salaries	-	-
<b>Total</b>	-	-

**2.17 OTHER EXPENSES:**

Particulars	For the Period Ended 31-03-2023	For the Period Ended 31-03-2022
Advertisement Expenses		-
Annual Issuer Fee(Listing Processing fees)	355.00	577.45
Audit Fees	59.00	59.00
Bank Charges	0.77	6.43
CS Salary	402.50	385.00
<b>Total</b>	<b>817.27</b>	<b>1,027.88</b>

Amount in Rs. 000's except number of shares and EPS

**NOTES TO ACCOUNTS**

**2.18 EARNING PER SHARE:**

The Earning considered in ascertaining the companies earning Per Share comprise Net Profit After Tax. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year.

<b>Particulars</b>	<b>2022-23</b>	<b>2021-22</b>
Profit available for the equity Share Holders	(857.52)	(1069.08)
No. of equity shares outstanding for EPS-Basic	30,01,000	30,01,000
No. of equity shares outstanding of EPS-Diluted	30,01,000	30,01,000
Basic	(0.29)	(0.36)
Diluted	(0.29)	(0.36)

**2.19 Indian Accounting Standard 24- Related Party Disclosure:**

The Company has entered into the following Related Party Transactions as on 31<sup>st</sup> March, 2022 such parties and transactions are identified as per Accounting Standard 18 and Section 2 (76) and 188 of Companies Act, 2013 read with Rules made there under.

a) The following are the List of Related Parties:

<b>Name of the Party</b>	<b>Relationship</b>
Siva Prasad Gorthy	Independent Director
Aruna Gaminiyanamandra	Independent Director
Mayank Puran Chandra Joshi	Independent Director
Mr. Siva Prasad Gorthy	Independent & Non-Executive
Mr. Vemuri Venkata Rajani Kumar	Whole-time - Executive/ CFO (KMP)
Mrs. Gamini Aruna (Women Director)	Independent (Non-Executive)
Ms. Janaki Yarlagadda	Whole time Director
Mr. Nomula Srinivas	Whole time Director
Mr. Manoj Sandilya Telakapalli	Director
Ms. Surabhi Dayal	Company Secretary & Compliance Officer
IT Trail Blazers Resources Private Limited	Holding Company

**Amount in Rs. 000's except number of shares and EPS**

b) The following are the Related Party Transactions:

<b>Name of the Party</b>	<b>Relationship</b>	<b>Nature of Transaction</b>	<b>As at 31/03/2023</b>
Ms. Surabhi Dayal	Company Secretary	CS Salary	402.50/-
IT Trial Blazers Resources Private Limited	Holding Company	Advance Taken	8613.143/- (As at 31/03/2023)
Mr. Manoj Sandilya Telakapalli	Director	Advance Taken	499.80/- (As at 31/03/2023)

**2.20** In accordance with Accounting Standard 22(AS 22) issued by the ICAI, the company has accounted for deferred income tax during the year. The deferred Income tax provision for the current year amount Rs. 3.97/- towards Deferred tax asset and for the previous year Rs. 3.02/- towards Deferred tax asset.

**2.21** In the opinion of the management, Current assets, Loans, and Advances have the value at which they are Stated in the Balance Sheet, if realized in the ordinarily course of the Business.

**2.22** Balances of Loans and Advances are Subject to Confirmation.

**2.23 Capital Management:**

For the purpose of Company's capital management, Capital includes issued equity capital and other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Amount in Rs. 000's except number of shares and EPS

	31-Mar-23	31-Mar-22
Borrowings	0	0
Trade and other payables	12459.25	3094.81
Less: Cash and cash equivalents	(5852.52)	(5772.39)
<b>Net Debt</b>	<b>6606.73</b>	<b>(2677.58)</b>
Equity	28587.06	29444.58
<b>Capital and Net Debt</b>	<b>21980.33</b>	<b>26767.00</b>
<b>Gearing Ratio</b>	<b>30.05%</b>	<b>(10.00)%</b>

## 2.24 Financial risk management objectives and policies

The Company's principal financial liabilities comprise of trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and cash equivalents that derive directly from its operations and FVTPL investments.

The Company is exposed to market risk and liquidity risk. The Company's senior management oversees management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures so that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

## 2.25 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency rate risk, interest rate risk and other price risk. Financial instruments affected by market risk include FVTPL financial instruments.

The sensitivity analyses in the following sections relate to the position as at 31 March 2023 and 31 March 2022.

## 2.26 Equity price risk

The Company's listed equity instruments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification. The Company's Board of Directors reviews and approves all equity investment decisions.

## 2.27 Subsequent Events

There are no significant events that occurred after the balance sheet date.

## 2.28 Additional Regulatory Information

- i) The Company is not in possession of any immovable property.
- ii) The Company has not revalued any of its Property, Plant and Equipment during the year.
- iii) No loans and advances were granted to promoters, directors, KMPs and the related parties.
- iv) There is No Capital work in Progress during the Financial year 2022-23.
- v) As per information provided, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988.
- vi) There are no borrowings from banks or financial institutions on the basis of current assets given as security.
- vii) The company was not declared as a wilful defaulter by any bank or financial institution.
- viii) The company has not advanced/loans/invested or received funds (either borrowed funds or share premium or any other sources or kind of funds to any other persons or entities, 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.
- ix) No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any

**Amount in Rs. 000's except number of shares and EPS**

guarantee, security or the like on behalf of the Ultimate Beneficiaries.

x) The company did not enter into any transactions with struck off companies.

**xi) Ratios**

	<b>31-03-2023</b>	<b>31-03-2022</b>	<b>Variiances</b>
(a) Current Ratio	3.28	10.43	68.55%
(b) Debt-Equity Ratio	0.44	0.11	-300%
(c) Debt Service Coverage Ratio	NA	NA	NA
(d) Return on Equity Ratio	-0.03	-0.07	142.86%
(e) Inventory turnover ratio	NA	NA	NA
(f) Trade Receivables turnover ratio	NA	NA	NA
(g) Trade payables turnover ratio	NA	NA	NA
(h) Net capital turnover ratio	NA	-0.07	NA
(i) Net profit ratio	NA	NA	NA
(j) Return on Capital employed	-0.03	-0.07	142.86%
(k) Return on investment.	-0.02	-0.03	166.67%

**2.29 Undisclosed Income**

The Company does not have any transactions which are not recorded in books of accounts have been surrendered/ disclosed as income during the year in tax assessments under Income Tax Act, 1961.

**2.30 Corporate Social Responsibility**

The company is not covered under the provisions of sec 135 of the companies act 2013.

Amount in Rs. 000's except number of shares and EPS

**2.31 Details of Crypto Currency or Virtual Currency**

The Company has not traded nor has invested in Crypto Currency or Virtual Currency during the financial year.

**2.32** Previous year figures have been regrouped/rearranged wherever found necessary, to be in conformation with current year classification.

**2.33** The figures have been rounded off to the nearest thousands and decimals thereof.

**SIGNATURE TO NOTES 2.1 to 2.33**

**As per our report of even date  
For P C N & Associates.,  
Chartered Accountants  
FRN: 016016S**

**For and on behalf of the Board  
Shalimar Agencies Limited**

**K. Gopala Krishna  
Partner  
Membership No.203605  
UDIN: 23203605BGRTUI4248**

**Janaki Yarlagadda  
Whole-Time Director  
DIN: 02129823**

**Manoj Sandilya Telakapalli  
Director  
DIN: 09630299**

**Place: Hyderabad  
Date:25-05-2023**

**Surabhi Dayal  
Company Secretary**



## **Shalimar Agencies Limited**

Notes and other explanatory information to financial statements for the year ended March 31, 2023

### **1. Corporate Information**

The Shalimar Agencies Limited was incorporated on 04th June, 1981 under companies Act 1956 in the name and style as Shalimar Agencies Limited as a Public Limited Company and obtained a Certificate of Commencement of Business on 17th June, 1981 having Registered Office situated at Plot No. 19, Sanali Spazio, Software Unit Layout, Cyber Tower Area, Madhapur, Hyderabad, Rangareddy, Telangana, 500081. The Company is engaged in providing a complete range of IT Services and Solutions

The Financial Statements for the year ended March 31, 2023 were approved by the Board of Directors and authorised for issue on May 25, 2023.

#### **1.1 Basis of accounting and preparation of Financial statements:**

##### **A) Compliance with Ind AS**

The financial statements (financial statements) comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act"), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

##### **B) Basis of preparation**

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value;
- defined benefit plans - plan assets measured at fair value;
- share- based payments and
- assets and liabilities arising in a business combination

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services and their settlement in cash and cash equivalents, the Company has ascertained its operating

## **Shalimar Agencies Limited**

Notes and other explanatory information to financial statements for the year ended March 31, 2023

cycles as 12 months for the purpose of current and noncurrent classification of assets and liabilities.

### **C) Functional and Presentation Currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are prepared in Indian rupee (INR), which is company's presentation and functional currency.

#### **1.2 Summary of significant accounting policies**

##### **a. Revenue recognition:**

The Company earns revenue primarily from software development, maintenance of software/hardware and related services, and sale of software licenses.

The Company's contracts with customers include promises to transfer multiple products and services to a customer. Revenues from customer contracts are considered for recognition and measurement when the contract has been approved, in writing, by the parties to the contract, the parties to the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. At the inception of every contract, transaction price and performance obligations are determined. Transaction price reflect amount of consideration expected to be received in exchange for transferring goods and services plus estimate of variable consideration i.e. discounts, price concession, rebates etc. Transaction price is allocated to identifiable performance obligations in a manner that depicts exchange for transferring of promised goods and services. Volume discounts are recorded as a reduction of revenue. When the amount of discount varies with the levels of revenue, volume discount is recorded based on estimate of future revenue from the customer.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

## Shalimar Agencies Limited

Notes and other explanatory information to financial statements for the year ended March 31, 2023

The Company applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Company allocates the transaction price to separately identifiable performance obligations based on their relative stand-alone selling price. In cases where the Company is unable to determine the stand-alone selling price the company uses expected cost-plus margin approach in estimating the stand-alone selling price.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

**i) Time and material contracts:** Revenues and costs relating to time and materials contracts are recognized as the related services are rendered.

**ii) Fixed-price contracts:** Revenue for fixed-price contracts where performance obligations are satisfied over time is recognised using percentage-of-completion method. In respect of such fixed-price contracts, revenue is recognised using percentage-of-completion method ('POC method') of accounting with contract costs/ efforts incurred determining the degree of completion of the performance obligation.

**iii) Sale of licenses:** Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period.

### b. Income Taxes

Income tax expense is comprised of current and deferred taxes. Current and deferred tax is recognized in net income except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

**Current Income Tax:** Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted as at the reporting date and applicable for the period.

## Shalimar Agencies Limited

Notes and other explanatory information to financial statements for the year ended March 31, 2023

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

**Deferred Tax:** Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries and foreign branches where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The Company offsets deferred tax assets and liabilities, where it has a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to taxes levied by the same taxation authority on either the same taxable entity, or on different taxable entities where there is an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred Tax includes MAT credit, if any and it is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay income tax higher than that computed under MAT, during the period that MAT is permitted to be set off under the Income Tax Act, 1961 for a specified period. Credit on account of

## **Shalimar Agencies Limited**

Notes and other explanatory information to financial statements for the year ended March 31, 2023

MAT is recognized as an asset based on the management's estimate of its recoverability in the future.

### **c. Leases**

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

#### **Company as a lessee:**

At the date of commencement of the lease, the company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets 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 cashflows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the company changes its assessment if whether it will exercise an extension or a termination option.

## **Shalimar Agencies Limited**

Notes and other explanatory information to financial statements for the year ended March 31, 2023

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### **Company as a lessor:**

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 "Revenue from Contracts with Customers" to allocate the consideration in the contract.

### **d. Impairment of assets:**

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units).

Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

## **Shalimar Agencies Limited**

Notes and other explanatory information to financial statements for the year ended March 31, 2023

### **e. Cash and Cash equivalents**

For the purposes of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, in banks and demand deposits with original maturities of three months or less that are readily convertible to known amounts of cash and cash equivalents which are subject to insignificant risk of changes in value and net of outstanding bank overdraft. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

### **f. Financial Instruments:**

#### **i. Classification:**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Financial liabilities are measured at amortised cost using the effective interest method. The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

#### **ii. Initial recognition:**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

#### **iii. Measurement:**

##### **Financial assets carried at amortized cost:**

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to

## **Shalimar Agencies Limited**

Notes and other explanatory information to financial statements for the year ended March 31, 2023

cash flows that are solely payments of principal and interest on the principal amount outstanding.

### **Financial assets at fair value through other comprehensive income (FVTOCI):**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income. Financial assets at fair value through profit or loss (FVTPL): A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

### **iv. Impairment of financial assets (other than at fair value):**

The Company assesses at each reporting date whether a financial asset or a group of financial assets and contract assets (unbilled revenue) is impaired. The Company recognizes loss allowances, in accordance with IND AS 109, using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables and unbilled revenue with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized as an impairment gain or loss in the statement of profit or loss.

### **v. Offsetting financial instruments:**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.



## **Shalimar Agencies Limited**

Notes and other explanatory information to financial statements for the year ended March 31, 2023

### **g. Investments**

**Interest and Dividend income:** Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

**Investments in subsidiaries:** The Company accounts for its investment in subsidiaries at cost, less impairment losses if any.

### **h. Derivatives and hedging activities:**

The Company designates certain foreign exchange forward, currency options and futures contracts as hedge instruments in respect of foreign exchange risks. These hedges are accounted for as cash flow hedges/fair value hedges, as applicable.

The Company uses hedging instruments that are governed by the policies of the Company which are approved by their respective Board of Directors. The policies provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Company. The Company enters into derivative financial instruments where the counterparty is primarily a bank.

The hedge instruments are designated and documented as hedges at the inception of the contract. The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis. If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified in net foreign exchange gains/loss in the statement of profit and loss.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment.

## **Shalimar Agencies Limited**

Notes and other explanatory information to financial statements for the year ended March 31, 2023

- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment

- Hedges of a net investment in a foreign operation

Subsequent to initial recognition, derivative financial instruments are measured as described below:

### **Cash flow hedges:**

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized in other comprehensive income and held in cash flow hedging reserve, net of taxes, a component of equity, to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognized in the statement of profit and loss and reported within foreign exchange gains/(losses), net within results from operating activities. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs.

The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the statement of profit and loss upon the occurrence of the related forecasted transaction.

The Company enters into the contracts that are effective as hedges from an economic perspective but may not qualify for hedge accounting. The change in the fair value of such instrument is recognised in the statement of profit and loss.

## **i. Property, Plant and Equipment**

### **a) Recognition and measurement:**

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to

## **Shalimar Agencies Limited**

Notes and other explanatory information to financial statements for the year ended March 31, 2023

the construction of a qualifying asset are capitalized as part of the cost. Freehold land is carried at historical cost.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

All other repairs and maintenance costs are charged to profit and loss in the reporting period in which they occur.

An item of Property, Plant & Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant & Equipment are determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit or loss.

The cost of property, plant and equipment not available for use before year end date are disclosed under capital work- in-progress and not depreciated.

An asset's carrying amount is written down immediately to its recoverable amount if the assets or CGU as applicable, carrying amount is greater than its estimated recoverable amount. An impairment loss is recognised in the statement of profit and loss.

### **b) Depreciation:**

The Company depreciates property, plant and equipment on a straight-line basis as per the estimated useful lives prescribed in Schedule II of the Companies Act 2013, in respect of the following assets:

## Shalimar Agencies Limited

Notes and other explanatory information to financial statements for the year ended March 31, 2023

Class of asset	Useful life followed by company
Computers and equipment	3
Furniture & fixtures	10

Assets acquired under leasehold improvements are amortized over the shorter of estimated useful life of the asset or the related lease term.

The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

### **j. Business combinations, Goodwill and Intangible Assets:**

#### **(i) Business combinations:**

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of acquisition date fair values of the assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquiree and the equity interests issued by the Company in exchange for control of the acquiree. Acquisition related costs are generally recognized in profit or loss as incurred.

Intangible assets acquired in business combination are measured at fair value as of the date of acquisition less accumulated amortization and accumulated impairment, if any.

When the consideration transferred by the Company in a business combination includes assets or liabilities resulting from a contingent arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Contingent consideration that is classified as an asset or liability is remeasured at subsequent reporting dates in

## **Shalimar Agencies Limited**

Notes and other explanatory information to financial statements for the year ended March 31, 2023

accordance with Ind AS 109 Financial Instruments or Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets, with the corresponding gain or loss being recognized in profit or loss.

Business combinations arising from transfers of interests in entities that are under common control are accounted at book value. The difference between any consideration given and the aggregate carrying amounts of assets and liabilities of the acquired entity is recorded in shareholders' equity.

### **(ii) Goodwill:**

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any. Goodwill is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

### **(iii) Intangible Assets:**

Intangible assets other than acquired in a business combination are measured at cost at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Research costs are expensed as incurred. Internally generated intangible asset arising from development activity is recognized at cost on demonstration of its technical feasibility, the intention and ability of the company to complete, use or sell it, only if, it is probable that the asset would generate future economic benefit and the expenditure attributable to the said assets during its development can be measured reliably.

An item of Intangible assets is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Intangible assets are determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the profit or loss.

## **Shalimar Agencies Limited**

Notes and other explanatory information to financial statements for the year ended March 31, 2023

### **k. Provisions and Contingent Liabilities**

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

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

The Company uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

#### **1. Employee benefits:**

##### **i) Post-employment and pension plans:**

The Company participates in various employee benefit plans. Pensions and other post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if

## **Shalimar Agencies Limited**

Notes and other explanatory information to financial statements for the year ended March 31, 2023

the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as an expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The present value of the defined benefit obligations is calculated by an independent actuary using the projected unit credit method.

### **ii) Short-term benefits:**

Short-term employee benefit obligations are measured on an undiscounted basis and are recorded as expense as the related services are provided. Liabilities for wages and salaries including the amount expected to be paid under short-term cash bonus or profit sharing plans, expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### **iii) Compensated absences:**

The employees of the company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. The company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement.

The company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year as applicable. Actuarial losses/ gains are recognized in the Statement of Profit and Loss in the year in which they arise.

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are classified under current liabilities and balance under non-current liabilities.

## **Shalimar Agencies Limited**

Notes and other explanatory information to financial statements for the year ended March 31, 2023

### **iv) Share-based payments:**

Selected employees of the Company receive remuneration in the form of equity settled instruments, for rendering services over a defined vesting period. The cost of equitysettled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

The cost under employee benefits expense is recognised, together with a corresponding change in Share Based Payment Reserves under Other Equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the company's best estimate of the number of equity instruments that will ultimately vest.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest.

Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.



## **Shalimar Agencies Limited**

Notes and other explanatory information to financial statements for the year ended March 31, 2023

### **m. Foreign currency transactions**

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are restated at the exchange rate prevailing on the reporting date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not restated.

Assets and liabilities of entities with functional currency other than the functional currency of the Company have been restated using exchange rates prevailing on the reporting date. Statement of profit and loss of such entities has been restated using weighted average exchange rates. Translation adjustments have been reported as Foreign Currency Translation Reserve in the Statement of Changes in Equity through Other Comprehensive Income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and restated at the exchange rate prevailing at the reporting date.

### **n. Dividends:**

Provision is made for the undistributed amounts of appropriately authorized dividend being declared on or before the end of the reporting period.

### **o. Earnings per share:**

The basic earnings per share is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares which would have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period unless they have been issued at a later date.

## **Shalimar Agencies Limited**

Notes and other explanatory information to financial statements for the year ended March 31, 2023

### **p. Rounding of amounts:**

All amounts disclosed in the financial statements and notes have been rounded off to nearest Thousands as per the requirement of Schedule III, unless otherwise stated.

### **1.3 Critical estimates and judgements**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

The areas involving critical estimates and/or judgements are:

#### **a) Revenue recognition**

The company uses the percentage of completion method in accounting for its fixed price contracts. Use of the percentage of completion method requires the company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

#### **b) Income taxes**

Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

## **Shalimar Agencies Limited**

Notes and other explanatory information to financial statements for the year ended March 31, 2023

### **c) Property, plant and equipment**

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

### **d) Impairment of Investments**

The Company reviews its carrying value of investments in subsidiaries and other entities annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

### **e) Provisions**

Provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

### **f) Business combinations**

In accounting for business combinations, judgement is required in identifying whether an identifiable intangible asset is to be recorded separately from goodwill. Additionally, estimating the acquisition date fair value of the identifiable assets acquired, and liabilities and contingent consideration involves management judgement. These measurements are based on information available at the acquisition date and are based on expectations and assumptions that have been deemed reasonable by management. Changes in these judgements, estimates, and assumptions can materially affect the results of operations.

## **Shalimar Agencies Limited**

Notes and other explanatory information to financial statements for the year ended March 31, 2023

### **g) Goodwill**

Goodwill is tested for impairment annually once or when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

### **h) Defined benefit obligation**

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

# ROUTE MAP OF 42<sup>ND</sup> ANNUAL GENERAL MEETING

