



**GANNON  
DUNKERLEY  
& CO., LTD.**

**Annual Report 2023-2024**

## Financial Highlights

(₹ in lacs)

	2023-2024	2022-2023	2021-2022
Total Income	1,10,432.18	1,56,354.45	1,65,870.96
Profit / (Loss) Before Depreciation	8,474.84	3,471.82	4,038.48
Profit / (Loss) Before Tax	(19,759.71)	1,021.92	2,808.75
Current Tax / Earlier Years' Tax	14.12	254.14	361.20
Profit / (Loss) After Tax	(11,942.09)	600.47	1,814.14
Total Comprehensive Income	(11,893.01)	408.40	1,355.06
Share Capital	268.80	268.80	268.80
Reserves and Surplus	43,885.87	55,778.88	55,370.48
Own Funds (Net Worth)	44,154.67	56,047.68	55,639.28
Deferred Tax Liabilities / (Assets)	(10,405.48)	(2,605.64)	(2,797.44)
Gross Block	65,341.21	66,166.97	66,449.89
Net Block	10,788.24	12,484.83	13,926.23

**GANNON DUNKERLEY & CO., LTD.**

**ANNUAL REPORT 2023-2024**

**BOARD OF DIRECTORS:**

PARAG C. MEHTA

PRAGATI MUNDHRA

MANOJ KUMAR SINGH, *Managing Director*

**BANKERS:**

STATE BANK OF INDIA

UNION BANK OF INDIA

PUNJAB NATIONAL BANK

CANARA BANK

UCO BANK

IDBI BANK LTD

**AUDITORS:**

SANGHAVI & COMPANY

**REGISTERED OFFICE:**

NEW EXCELSIOR BUILDING

3RD FLOOR, A.K. NAYAK MARG,

FORT, MUMBAI - 400 001

**GANNON DUNKERLEY & CO., LTD.**

**MANAGEMENT**

Manoj Kumar Singh  
*Managing Director*

Ashis Kumar Pal  
*Chief Operating Officer, Kolkata*

B.N. Nagaraj  
*Chief Operating Officer, Mumbai*

Bandaru Srinivasa Rao  
*Chief Operating Officer, Hyderabad*

Pravin Jain  
*Chief Operating Officer, Water  
Management Division, New Delhi*

R.K. Pandey  
*Deputy Chief Operating Officer, New Delhi*

R.P. Agarwal  
*Vice President (Finance) &  
Company Secretary*

Avinash Sunil J. D'Sa  
*Asst. Vice President (Co-ordination)*

## DIRECTORS' REPORT

The Directors have pleasure in presenting the Annual Report together with Audited Statement of Accounts for the year ended 31st March, 2024.

### FINANCIAL RESULTS:

	(₹ in lacs)	
	2023-2024	2022-2023
Revenue from Operations .....	1,06,265.55	1,53,700.12
Other Income .....	4,166.63	2,654.33
Profit / (Loss) Before Depreciation and Taxation.....	8,474.84	3,471.82
Depreciation .....	2,092.19	2,449.90
Exceptional Items .....	26,142.36	-
Profit / (Loss) Before Tax .....	(19,759.71)	1,021.92
Current Tax / Earlier Years' Tax .....	14.12	254.14
Deferred Tax .....	7,831.74	167.31
Profit / (Loss) After Taxation .....	(11,942.09)	600.47
Other Comprehensive Income for the Year .....	49.08	(192.07)
Total Comprehensive Income / (Loss) for the Year .....	(11,893.01)	408.40

### DIVIDEND:

Your Directors do not recommend any dividend due to loss during this year under consideration.

### REVIEW OF OPERATIONS:

During the year under review, the Company achieved a turnover of ₹ 1,062.66 crores, registering a decline of 30.87% compared to ₹ 1,537.00 crores in the previous year. This decline was primarily due to financial constraints that persisted because of the delay in the implementation of the Resolution Plan.

The profit after tax saw a drastic fall from a profit of ₹ 600.47 lacs in 2022-2023 to a loss of ₹ 11,942.09 lacs in 2023-2024. This significant decline in profitability was mainly on account of exceptional items amounting to ₹ 26,142.36 lacs.

Fresh orders amounting to ₹ 945.51 crores were procured, predominantly from the Private Sector. The Capex cycle in the Private Sector has shown signs of improvement, and the Company expects future orders to continue coming from this sector. However, procurement of jobs is being constrained due to difficulties in securing bank guarantees needed for tendering. The Balance work in hand as on 31st March, 2024 is ₹ 2,927.86 crores.

The Working Capital cycle remains stretched due to delays in receivable collections and failure to meet project milestones, which has adversely affected profitability. The slow pace of execution has led to suboptimal recovery of fixed costs, as the Company faces ongoing limitations in securing timely Working Capital.

The Company is currently in the process of resubmitting a fresh restructuring proposal, incorporating further improvement as the earlier Resolution Plan was formally rejected by the Lenders.

Efforts to finalize the closure of the Housing Project in Libya are still ongoing. Meetings with the ODAC officials in Tripoli during July 2022 and September 2023 have led to an agreement for an amicable foreclosure of the contract. The Company has submitted its proposal, which is expected to be approved by ODAC within the next three months.

**SUBSIDIARIES AND JOINT VENTURES:**

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing financial statements of subsidiaries and of joint venture companies in Form AOC 1 is annexed.

**AUDITORS' REPORT:**

As regards the observations and qualifications of the Auditors, the Company is taking necessary steps to get the same addressed and their Report also contains comments offered by the Company. The note forming part of the annual accounts also adequately deal with their remarks and provide the required explanations. The Statutory Auditors have not reported any instances of fraud to the Audit Committee or Board as per Section 143(12) of the Companies Act, 2013.

**AUDITORS:**

Your Board recommends the appointment of M/s. Sanghavi & Company, Chartered Accountants, (FRN No. 109099W), as Statutory Auditors of the Company from the conclusion of 101st Annual General Meeting (AGM) of the Company until the conclusion of 104th Annual General Meeting.

**EXTRACT OF THE ANNUAL RETURN:**

Extract of Annual Return in Form MGT - 9 in accordance with Section 92(3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules 2014, is annexed herewith to this report.

**PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The particulars of conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, are annexed.

**DIRECTORS:**

Shri Parag C. Mehta (DIN : 00172972) retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

**NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:**

During the year five meetings of the Board of Directors were held on 13th April, 2023, 16th June, 2023, 30th August, 2023, 16th October, 2023 and 15th February, 2024. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

As required pursuant to clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, the Board of Directors confirm as under:

- (a) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit / (loss) of the Company for that period;
- (c) that the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- (d) that the Directors have prepared the annual accounts on a going concern basis; and
- (e) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**PARTICULARS OF LOANS GIVEN, GUARANTEES GIVEN OR INVESTMENTS MADE AND ARRANGEMENT WITH RELATED PARTIES:**

The details of loans given, guarantees given or investments made and arrangement with related parties are annexed.

**CORPORATE SOCIAL RESPONSIBILITY:**

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013. The Company has not contributed / spent any amount towards CSR in view of the net average losses of last 3 financial years.

**PRESENTATION OF FINANCIAL STATEMENTS:**

The financial statements of the Company for the year ended 31st March, 2024 have been disclosed as per Division II of Schedule III of the Companies Act, 2013.

**INDIAN ACCOUNTING STANDARDS, 2015:**

The financial statements comply in all material respects with the Indian Accounting Standard (IND AS) as amended from time to time.

**SECRETARIAL AUDIT:**

Pursuant to the provision of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed V.N. Deodhar & Company, Practicing Company Secretaries to conduct the Secretarial Audit of your Company. The Secretarial Audit Report is annexed herewith as "Annexure" to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

**PARTICULARS OF EMPLOYEES:**

The particulars of employees in accordance with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are annexed.

By Order of the Board

Mumbai, 22nd October, 2024

(Pragati Mundhra)  
Director

(Parag C. Mehta)  
Director

## ANNEXURE TO THE DIRECTORS' REPORT 2023-24

**PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.****CONSERVATION OF ENERGY:**

The Company takes adequate measures for conservation of energy wherever possible to commensurate the nature and kind of the operations of the Company.

**TECHNOLOGY ABSORPTION:**

There is no separate Research and Development Department in the Company. However, Company adopts modern techniques in its operations, wherever feasible.

**FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Foreign Exchange earned ₹ : 4.38 lacs

Foreign Exchange used: ₹ : 0.19 lacs  
On account of foreign travel and other matter

**INFORMATION PURSUANT TO THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014, AND FORMING PART OF THE DIRECTOR'S REPORT FOR THE YEAR ENDING 31ST MARCH, 2024**

Sr. No.	Name	Designation and Nature of Duties	Remuneration (₹)	Qualification	Experience Years	Date of Commencement of Employment	Age Years	Last Employment before joining the Company and Period
1.	Singh Manoj Kumar	Managing Director	1,96,70,409	B.E (Civil), M.B.A. (Finance)	37	18.04.2018	62	IL&FS Engineering & Construction Co. Ltd.

**Notes:**

- (1) The figures of remuneration include Salary, Allowances and monetary value of perquisites as per Income Tax Rules, Leave Encashment, Bonus, Commission, Company's contribution to Provident Fund and Superannuation Scheme.
- (2) The employment of Shri Singh Manoj Kumar is on contractual basis.



## INDEPENDENT AUDITORS' REPORT

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To  
The Members of  
Gannon Dunkerley & Co., Limited

### Report on the Audit of the Standalone Financial Statements

#### Qualified Opinion

We have audited the accompanying standalone financial statements of **Gannon Dunkerley & Co., Limited** ("the Company") which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matters described in the Basis for Qualified Opinion paragraph below*, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and the other accounting principles generally accepted in India, of the State of Affairs of the Company as at 31st March, 2024, of its Loss, Other Comprehensive Income/Loss, its changes in Equity and its Cash Flows for the year ended on that date.

#### Basis for Qualified Opinion

Attention is invited to –

- Note No. 43 regarding borrowings, provision of interest and settlement process with the lenders, outcome of which is uncertain and classification of the borrowings;
- Note No. 44 regarding inventories and probable impairment thereof;
- Note No. 45 regarding trade receivables and probable impairment thereof;
- Note No. 46 regarding non availability of balance confirmations for major balance sheet items;
- Note No. 47 regarding overseas project of the Company being withheld due to political unrest and unaudited financial statements of Libya branch of the Company;
- Note No. 48 regarding stagnant loans and advances and probable impairment thereof;

And its consequential effects on the state of affairs and loss for the year of the Company, to the extent applicable.

We conducted our audit of the standalone 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 standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

#### Emphasis of Matter

We draw attention to the following matters:

- Note No. 36 regarding write-off of receivables aggregating to ₹ 26,142.36 lacs;
- Note No. 50 regarding non-charging of interest on loans and advance in the nature of loans to a subsidiary, joint venture, bodies corporate and others;
- Note No. 53 regarding impairment of investments; and
- Note no. 55 regarding invocation of bank guarantees.

Our opinion is not modified in respect of these matters.

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

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

**Auditor's Responsibility for the Audit of the Standalone Financial Statements**

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

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

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

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

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

### Other Matters

We did not audit the financial statements of one of the overseas branch [refer note no. 47], whose financial statements reflect total assets of ₹ 4,864.91 lacs as at 31st March, 2024 and total revenues of Nil for the year ended on that date, as considered in the standalone financial statements. These financial statements are unaudited as furnished to us by the management and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of this branch, is based solely on these unaudited financial statements and information and explanations furnished to us by the management.

Our opinion is not modified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India terms of sub-section (11) of section 143 of the Act, we give in the Annexure – A, a statement on the matters specified in clause 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit *except for the matters as stated in Note No. 43, 44, and 45;*
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) *Except for the effects of the matters described in the Basis for Qualified Opinion paragraph above*, in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act;
  - e) On the basis of written representations received from the directors as on 31st March, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024, from being appointed as a director in terms section 164(2) of the Act;
  - f) With respect to the adequacy of internal financial controls over financial reporting of the Company and operating effectiveness of such controls, our separate report in Annexure – B may be referred;
  - g) In our opinion and to the best of our information and according to the explanations given to us, remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act;

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2015, in our opinion and to the best of our information and according to the explanation given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company;
  - iv.
    - a. The Management has represented that, to the best of its knowledge and belief, as disclosed in the note no. 41(i) to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b. The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note no. 41(j) to the accounts, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - c. Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement;
  - v. The Company has not declared or paid any dividend during the year;
  - vi. *Based on our examination which included compliance test and checks, we have to state that the Company has not used the accounting software for maintaining books of account which has a feature of recording audit trail (edit log) facility throughout the year for all transactions recorded in the software. [refer note no. 41(n)]*

For SANGHAVI & COMPANY  
Chartered Accountants  
FRN: 109099W

MANOJ GANATRA  
Partner

Mumbai  
22nd October, 2024

Membership No. 043485  
UDIN: 24043485BJZZRF8112

**ANNEXURE – A TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:

1. In respect of property, plant and equipment:
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.
  - b. The Company has maintained proper records showing full particulars of intangible assets.
  - c. Property, plant and equipment were physically verified at reasonable intervals in a phased manner in accordance with a programme of physical verification and no material discrepancies were noticed on such verification. (refer note no. 49)
  - d. The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements included under property, plant and equipment are held in the name of the Company.
  - e. The Company has not revalued any of its property, plant and equipment (including right of use assets) or intangible assets during the year.
  - f. There are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 as amended and Rules made thereunder.
2.
  - a. The physical verification of inventory has been conducted at reasonable intervals by the management during the year and as contended by the management, discrepancies noticed on physical verification of inventory as compared to books records were not 10% or more in aggregate for each class of inventory. *We have, however, not physically verified the inventory and have relied upon the certification and information furnished to us by the management. (refer note no. 44)*
  - b. The Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets of the Company. *In respect of quarterly returns or statements to be filed by the Company with banks, the management of the Company contends that these returns are not filed with banks as the Company is under the process of restructuring of outstanding debts with the various banks.*
3. In respect of investments, guarantees or securities provided or loans or advances in the nature of loans granted by the Company:
  - a. The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year except:

Particular	₹ in lacs
Aggregate amount of loans granted during the year – Subsidiaries	120.55
Aggregate amount of loans granted during the year – Others	23.06
Balances outstanding of loans as on Balance Sheet date – Subsidiaries and Joint Ventures	16,263.54
Balances outstanding of loans as on Balance Sheet date – Others	43,323.73

- b. The terms and conditions of the investment are not prejudicial to the interest of the Company. *In respect of the grant of loans and advances in the nature of loans, since the terms and conditions of the loans, except for a few cases, are not stipulated, we are unable to comment whether such a loan are prejudicial to the interest of the Company. Interest on certain loans and advances in the nature of loans aggregating to ₹ 57,394.59 lacs is not charged. (refer note no. 48 & 50)*

- c. *Since the terms and conditions of many of the loans are not stipulated, we are unable to comment whether the repayment of principal or payment of interest are regular.*
- d. *Since the terms & conditions of the loans, except for a few cases, are not stipulated, we are unable to comment whether there are any overdue amounts in respect of loans granted. Of the total loans granted aggregating to ₹ 59,249.95 lacs, most of the loans appear to be overdue.*
- e. No loans or advances in the nature of loans granted by the Company that have fallen due during the year, have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties. *However, wherever the terms and condition of loans are not stipulated, we are unable to comment for the same.*
- f. *Since term and conditions of the loans granted by the Company are not stipulated, all such loans, except for loans to subsidiaries are classified as current loans payable on demand. In absence of formal agreements for such loans we are unable to make any further comments.*
4. The Company has complied with provisions of Section 185 and 186 of the Act in respect of loans, investments, guarantees and securities, to the extent applicable.
5. The Company has not accepted any deposits within the meaning of the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder, to the extent applicable, *except for advances from customers aggregating to ₹19,811.14 lacs, which, in the opinion of the management, are accepted in the ordinary course of business.* No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
6. We have broadly reviewed the cost records maintained by the Company pursuant to Section 148(1) of the Act and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. In respect of statutory and other dues:
- a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Cess, Goods & Service Tax and other material statutory dues, to the extent applicable, with the appropriate authorities during the year except for delays in certain payments as stated in note no. 51. There are no undisputed statutory dues outstanding for a period of more than six months from the date they became payable except for the following:

Particular	₹ in lacs
Tax Deducted at Source	147.88



b. There are no statutory dues, which have not been deposited on account of dispute except for the followings:

Nature of Dues	Statute	₹ in lacs	Relevant Year	Forum where dispute is pending
Value Added Tax	Maharashtra Value Added Tax Act	898.13	2010-11 to 2016-17	The Jt. Commissioner, Commercial Taxes
Value Added Tax	Punjab Value Added Tax Act	349.72	2008-09 2009-10	Punjab VAT Appellate Tribunal
Service Tax	Service Tax Rules	149.80	2015-16	CESTAT – Telangana
Income Tax	Income Tax Act	2,110.60	2006-07 to 2010-11	Bombay High Court
Income Tax	Income Tax Act	37.57	2018-19	The Commissioner of Income Tax
Labour Cess	Building and Other Construction Workers Welfare Cess Act	406.13	2017-18 2018-19	The Commissioner of Labour Cess
Goods & Service Tax	Goods & Service Tax Act	278.92	2017-18	Commissioner (Appeals) - Madhya Pradesh
Goods & Service Tax	Goods & Service Tax Act	21.74	2017-18 2018-19	Commissioner (Appeals) - Maharashtra
Goods & Service Tax	Goods & Service Tax Act	2,036.50	2017-18 2018-19	Commissioner (Appeals) - Ahmedabad
Goods & Service Tax	Goods & Service Tax Act	508.27	2017-18 to 2021-22	Superintendent Central Excise and GST - West Bengal
Goods & Service Tax	Goods & Service Tax Act	547.69	2017-18 2018-19 2019-20	Additional Commissioner, Rourkela and Superintendent Central Excise and GST - Odisha
Goods & Service Tax	Goods & Service Tax Act	199.80	2017-18	Deputy Commissioner of Guwahati
Value Added Tax	Gujarat Value Added Tax Act	184.35	2014-15 2015-16 2016-17	Tribunal - Ahmedabad

8. The Company has not surrendered or disclosed any transactions, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
9. a. *The Company has defaulted in repayment of loans or borrowing to banks or financial institutions to the extent the amounts stated under note no. 17.* The Company has not obtained any borrowings from the government or by way of debentures.

Lender wise details of the overdue are as under:

Bank/Institution	Balance as on 31st March, 2024 ₹ in lacs
State Bank of India	51,075.53
IDBI Bank	6,595.25
Indusind Bank	3,345.08
UCO Bank	4,209.86
The Federal Bank Limited	3,393.50
Union Bank of India	12,866.45
Canara Bank	3,731.74
Punjab National Bank	5,630.02
<b>Total</b>	<b>90,847.43</b>

These balances are as per the books of the Company and subject to confirmations from the respective lenders.

- b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - c. The term loans obtained in earlier years have been applied for the purposes for which they were obtained.
  - d. On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used 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 or joint ventures.
  - f. The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
10. a. The Company has not raised any money during the year by way of initial public offer or further public offer (including debt instruments).
- b. The Company has not made any preferential allotment or private placement of shares or fully/partly convertible debentures during the year and hence, the requirement to report under clause 3(x)(b) of the Order is not applicable.
11. a. No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- b. No report under sub-section (12) of section 143 of the Act has been filed in Form ADT- 4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c. The Company has not received any whistle blower complaint during the year and up to the date of this report.
12. The Company is not a Nidhi Company as per the provisions of the Act. The requirement to report under clause 3 (xii) of the Order is, therefore, not applicable.
13. Transactions with the related parties are in compliance with Section 177 and 188 of the Act, wherever applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
14. a. The Company has an internal audit system commensurate with the size and nature of its business. However, the same needs to be strengthened in terms of the scope and frequency of the audit.
- b. We have considered the internal audit reports of the Company issued till date for the period under audit.
15. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors.
16. a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- b. The Company has not conducted any non-banking financial or housing finance activities without obtaining a valid certificate of registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d. There is no Core Investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly the requirement to report under clause 3(xvi)(d) of the Order is not applicable.
17. The Company has incurred cash losses of ₹ 17,667.52 lacs in the current financial year. The Company has not incurred cash loss in the preceding previous year.
18. There has been no resignation by the statutory auditors of the Company during the year.



19. The management has furnished to us the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements. The repayments of financial liabilities in this projection is based on the restructuring plans with the respective lenders as proposed by the Company and based on this projection, the management believes that the Company would be capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. *However, in absence of any convincing evidences, we are unable to comment whether any material uncertainty exists as on the date of the audit report that the Company would be capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.*
20. *The Company has not complied provisions applicable section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 during the financial year. Amount required to be spent during the year ₹ 45.76 lacs have not been spent by the Company.*

For SANGHAVI & COMPANY  
Chartered Accountants  
FRN: 109099W

Mumbai  
22nd October, 2024

MANOJ GANATRA  
Partner  
Membership No. 043485  
UDIN: 24043485BJZZRF8112

## ANNEXURE – B TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **Gannon Dunkerley & Co., Limited** ("the Company") as of 31st March, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and 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 auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that -

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Qualified Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, 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 issued by the ICAI *except that material weakness were identified in internal financial controls with regard to loans granted, trade receivables, other liabilities and the documentations of the transactions in certain areas and internal controls on certain financial transactions and the same were found to be inadequate.*

For SANGHAVI & COMPANY  
Chartered Accountants  
FRN: 109099W

Mumbai  
22nd October, 2024

MANOJ GANATRA  
Partner  
Membership No. 043485  
UDIN: 24043485BJZZRF8112

## ANNUAL REPORT 2023-2024

## BALANCE SHEET AS AT 31ST MARCH, 2024

(₹ in lacs)			
Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
<b>ASSETS</b>			
<b>Non-Current Assets :</b>			
Property, Plant and Equipment.....	2	10,767.33	12,475.14
Investment Properties .....	3	0.88	0.88
Right of Use Assets .....	4	3.18	3.23
Intangible Assets .....	5	16.85	5.58
Financial Assets :			
Investments .....	6	4,429.79	4,429.79
Loans .....	7	337.32	312.04
Other Financial Assets .....	8	1,328.11	578.32
Deferred Tax Assets (Net) .....	20	10,405.48	2,605.64
Other Non-Current Assets .....	9	10,275.83	8,188.02
		<b>37,564.77</b>	<b>28,598.64</b>
<b>Current Assets :</b>			
Inventories .....	10	9,487.81	12,727.38
Financial Assets :			
Trade Receivables .....	11	1,13,213.49	1,48,327.25
Cash and Cash Equivalents .....	12	10,589.21	8,368.14
Other Bank Balances .....	13	2,860.66	3,251.69
Loans .....	7	59,249.95	58,127.07
Other Financial Assets .....	8	21.62	1.17
Current Tax Assets (Net) .....	14	5,576.63	5,611.85
Other Current Assets .....	9	15,676.25	21,628.10
		<b>2,16,675.62</b>	<b>2,58,042.65</b>
<b>Total Assets .....</b>		<b>2,54,240.39</b>	<b>2,86,641.29</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity :</b>			
Equity Share Capital .....	15	268.80	268.80
Other Equity .....	16	43,885.87	55,778.88
		<b>44,154.67</b>	<b>56,047.68</b>
<b>Liabilities :</b>			
<b>Non-Current Liabilities :</b>			
Financial Liabilities :			
Borrowings .....	17	-	-
Provisions .....	19	-	-
		<b>-</b>	<b>-</b>
<b>Current Liabilities :</b>			
Financial Liabilities :			
Borrowings .....	17	91,959.52	98,570.94
Trade Payables .....	22		
Total outstanding dues of Micro and Small Enterprises .....		1,000.27	1,629.23
Total outstanding dues of Creditors other than Micro and Small Enterprises .....		61,742.26	73,415.83
Other Financial Liabilities .....	18	7,316.53	7,349.96
Other Current Liabilities .....	21	47,677.54	48,816.31
Current Tax Liabilities (Net) .....	14	201.45	574.45
Provisions .....	19	188.15	236.89
		<b>2,10,085.72</b>	<b>2,30,593.61</b>
<b>Total Liabilities .....</b>		<b>2,54,240.39</b>	<b>2,86,641.29</b>

The accompanying notes are integral part of these financial statements.

As per our report of even date  
For SANGHAVI & COMPANY  
Chartered Accountants

MANOJ GANATRA  
Partner

R. P. AGARWAL  
Company Secretary

For and on behalf of the Board of Directors

P. C. MEHTA  
PRAGATI MUNDHRA } Directors  
MANOJ KUMAR SINGH } Managing Director

Mumbai, 22nd October, 2024

Mumbai, 22nd October, 2024

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lacs)

Particulars	Note No.	2023-2024	2022-2023
<b>REVENUE:</b>			
Revenue from Operations .....	23	1,06,265.55	1,53,700.12
Other Income .....	24	4,166.63	2,654.33
<b>Total Revenue .....</b>		<b>1,10,432.18</b>	<b>1,56,354.45</b>
<b>EXPENSES:</b>			
Cost of Materials Consumed .....	25	1,089.74	842.60
Operating Charges .....	26	80,581.28	1,26,309.79
Changes in Inventories .....	27	3,084.80	1,088.32
Employee Benefits Expenses .....	28	9,513.52	11,178.70
Finance Costs .....	29	1,760.50	5,902.06
Depreciation and Amortisation Expenses .....	30	2,092.19	2,449.90
Other Expenses .....	31	5,927.50	7,561.16
<b>Total Expenses .....</b>		<b>1,04,049.53</b>	<b>1,55,332.53</b>
<b>Profit / (Loss) Before Exceptional Items and Tax</b>		<b>6,382.65</b>	<b>1,021.92</b>
Exceptional Items .....	36	(26,142.36)	-
<b>Profit / (Loss) Before Tax</b>		<b>(19,759.71)</b>	<b>1,021.92</b>
Tax Expenses :	14		
Current Tax .....		-	191.00
Earlier Years' Tax .....		14.12	63.14
Deferred Tax .....		(7,831.74)	167.31
<b>Profit/(Loss) for the Year .....</b>		<b>(11,942.09)</b>	<b>600.47</b>
<b>Other Comprehensive Income :</b>			
Items that will not be reclassified to Profit or Loss			
a. Re-measurements of Defined Benefit Plans.....		91.29	70.09
b. Tax impacts on above .....		(31.90)	(24.49)
Items that may be reclassified to Profit or Loss			
a. Exchange Differences on Foreign Currency Translation of Foreign Operations .....		(10.31)	(237.67)
<b>Other Comprehensive Income for the Year .....</b>		<b>49.08</b>	<b>(192.07)</b>
<b>Total Comprehensive Income for the Year .....</b>		<b>(11,893.01)</b>	<b>408.40</b>
Basic and Diluted Earning Per Share (₹).....	32	(444.27)	22.34
Face Value Per Share (₹) .....		10.00	10.00

The accompanying notes are integral part of these financial statements.

As per our report of even date  
For SANGHAVI & COMPANY  
Chartered Accountants

MANOJ GANATRA  
Partner

R. P. AGARWAL  
Company Secretary

For and on behalf of the Board of Directors

P. C. MEHTA  
PRAGATI MUNDHRA } Directors  
MANOJ KUMAR SINGH Managing Director

Mumbai, 22nd October, 2024

Mumbai, 22nd October, 2024

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2024

			(₹ in lacs)
Particulars	31st March, 2024	31st March, 2023	
<b>A. SHARE CAPITAL</b>			
At the beginning of the Year .....	268.80	268.80	
Changes in Equity Share Capital during the Year.....	-	-	
<b>At the end of the Year .....</b>	<b>268.80</b>	<b>268.80</b>	

**B. OTHER EQUITY**

						(₹ in lacs)
Other Comprehensive Income						
Particulars	General Reserve	Retained Earnings	Exchange Differences on Foreign Currency Translation of Foreign Operations	Net Gain/(Loss) on Fair Value of Defined Benefit Plan	Total	
<b>As at 31st March, 2022 .....</b>	<b>65,000.00</b>	<b>(17,597.45)</b>	<b>7,576.79</b>	<b>391.14</b>	<b>55,370.48</b>	
Profit / (Loss) for the Year .....	-	600.47	-	-	600.47	
Exchange Differences on Foreign Operations .....	-	-	(237.67)	-	(237.67)	
Other Comprehensive Income for the Year (Net of Tax) .....	-	-	-	45.60	45.60	
Transfer from Retained Earnings to General Reserve .....	-	-	-	-	-	
<b>As at 31st March, 2023 .....</b>	<b>65,000.00</b>	<b>(16,996.98)</b>	<b>7,339.12</b>	<b>436.74</b>	<b>55,778.88</b>	
Profit / (Loss) for the Year .....	-	(11,942.09)	-	-	(11,942.09)	
Exchange Differences on Foreign Operations .....	-	-	(10.31)	-	(10.31)	
Other Comprehensive Income for the Year (Net of Tax) .....	-	-	-	59.39	59.39	
Transfer from Retained Earnings to General Reserve .....	-	-	-	-	-	
<b>As at 31st March, 2024 .....</b>	<b>65,000.00</b>	<b>(28,939.07)</b>	<b>7,328.81</b>	<b>496.13</b>	<b>43,885.87</b>	

The accompanying notes are integral part of these financial statements.

As per our report of even date  
For SANGHAVI & COMPANY  
Chartered Accountants

MANOJ GANATRA  
Partner

R. P. AGARWAL  
Company Secretary

For and on behalf of the Board of Directors

P. C. MEHTA  
PRAGATI MUNDHRA } Directors  
MANOJ KUMAR SINGH Managing Director

Mumbai, 22nd October, 2024

Mumbai, 22nd October, 2024

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024**

(₹ in lacs)

	2023-2024	2022-2023
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit / (Loss) for the Year .....	(11,942.09)	600.47
Adjustments for :		
Depreciation and Amortization .....	2,092.19	2,449.90
Income Tax Expenses .....	(7,817.62)	421.45
Net Foreign Exchange Loss/Gain .....	(10.31)	(237.67)
Loss / (Profit) on Sale of Property, Plant & Equipments .....	(189.54)	(333.88)
Sundry Balances Written Off / (Back) .....	-	39.25
Interest Expenses / (Income) .....	(2,906.24)	(787.59)
Operating Profit / (Loss) Before Working Capital Changes .....	(8,831.52)	1,551.46
Adjustments for :		
(Increase)/Decrease in Trade and Other Receivables .....	59,728.74	(27,873.61)
(Increase)/Decrease in Other Current and Non-Current Assets .....	3,955.33	2,587.53
Inventories .....	3,239.57	1,104.17
Increase/(Decrease) in Provisions .....	(48.72)	(153.46)
Increase/(Decrease) in Other Current and Non-Current Liabilities .....	(1,138.77)	8,693.32
Increase/(Decrease) in Trade and Other Payables .....	(12,335.20)	7,920.82
Cash Generated from Operations .....	53,400.95	(7,721.23)
Direct Taxes Paid / (Refund) .....	(351.90)	2,723.99
<b>Net Cash from Operating Activities .....</b>	<b>32,275.44</b>	<b>(2,845.31)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Property, Plant & Equipments .....	(898.80)	(1,175.04)
(Purchase) / Sale of Investments .....	-	-
Sale of Property, Plant & Equipments .....	692.74	500.42
Interest Received .....	3,472.44	1,833.07
<b>Net Cash used in Investing Activities .....</b>	<b>3,266.38</b>	<b>1,158.45</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds/(Repayments) from Loans Borrowed (Net) .....	(32,753.78)	5,834.29
Interest Paid .....	(566.20)	(1,045.48)
Dividend Paid .....	(0.77)	(2.61)
<b>Net Cash used in Financing Activities .....</b>	<b>(33,320.75)</b>	<b>4,786.20</b>
<b>Net Increase in Cash and Cash Equivalents .....</b>	<b>2,221.07</b>	<b>3,099.34</b>
Cash and Cash Equivalents as at beginning of the Year .....	8,368.14	5,268.80
<b>Cash and Cash Equivalents as at end of the Year .....</b>	<b>10,589.21</b>	<b>8,368.14</b>

The accompanying notes are integral part of these financial statements.

As per our report of even date  
For SANGHAVI & COMPANY  
Chartered Accountants

For and on behalf of the Board of Directors

MANOJ GANATRA  
Partner

R. P. AGARWAL  
Company Secretary

P. C. MEHTA  
PRAGATI MUNDHRA } Directors  
MANOJ KUMAR SINGH Managing Director

Mumbai, 22nd October, 2024

Mumbai, 22nd October, 2024

**COMPANY INFORMATION**

**Gannon Dunkerley & Co., Limited** (the 'Company') is a closely held Public Limited Company domiciled in India and incorporated on 11th March, 1924 under the provisions of the Companies Act applicable in India vide CIN: U51109MH1924PLC001107. The Company is engaged in the execution of large construction contracts involving engineering, procurement and construction (EPC) projects. The registered office of the Company is located at New Excelsior Building, 3rd Floor, A. K. Nayak Marg, Fort, Mumbai – 400 001.

The standalone financial statements ('the financial statements') were authorised for issue in accordance with the resolution of the Board of Directors on 22nd October, 2024.

**1 BASIS OF PREPARATION, MEASUREMENT AND MATERIAL ACCOUNTING POLICIES****1.1 Basis of preparation and measurement:**

These financial statements are the separate financial statements of the Company (also called standalone financial statements) prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015, as applicable.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. The Company adopts operating cycle based on the project period and accordingly, all project related assets and liabilities are classified into current and non-current. Other than project related assets and liabilities, 12 months period is considered as normal operating cycle.

The Company's financial statements are reported in Indian Rupees (₹), which is also the Company's functional currency, and all values are rounded to the nearest lacs except otherwise indicated.

**1.2 Material accounting policies:****a. System of accounting**

The financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the provisions of Companies Act, 2013 ("Act"), except in case of significant uncertainties.

**b. Key accounting estimates**

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income, expenses and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimates and judgments are regularly revisited. Estimates are based on historical experience and other factors, including futuristic reasonable information that may have a financial impact on the Company.



**c. Property, plant and equipment**

- (i) Property, plant and equipment are stated at historical cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/installation of the assets less accumulated depreciation and accumulated impairment losses, if any.
- (ii) Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred.
- (iii) The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.
- (iv) Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.
- (v) The Company depreciates property, plant and equipment on written down value method over the estimated useful life prescribed in Schedule II of the Companies Act, 2013 from the date the assets are ready for intended use after considering the residual value.
- (vi) Intangible assets comprise of implementation cost for software and other application software acquired/developed for in-house use. These assets are stated at cost, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably, less accumulated amortisation and accumulated impairment losses, if any.
- (vii) Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.
- (viii) Losses arising from the retirement of and gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the Statement of Profit and Loss.
- (ix) Property, plant and equipment and intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised 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 purposes 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 groups of assets (cash-generating units).

**d. Investment properties**

- (a) Property which is held for long-term rental or for capital appreciation or both is classified as Investment Property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.
- (b) Investment properties currently comprise of building.
- (c) Investment properties are de-recognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in Statement of Profit and Loss in the period in which the property is de-recognised.

**e. Investments and financial assets****(i) Investments in Subsidiaries and Joint Ventures :**

Investments in subsidiaries and joint ventures are recognised at cost and not adjusted to fair value at the end of each reporting period. Cost represents amount paid for acquisition of the said investments.

The Company assesses at the end of each reporting period, if there is any indication that the said investments may be impaired. If so, the Company estimates the recoverable value of the investments and provides for impairment, if any, i.e. the deficit in the recoverable value over cost.

**(ii) Other investments and financial assets :**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the Statement of Profit or Loss. In other cases, the transaction costs are attributed to the acquisition value of financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Financial assets are subsequently classified measured at –

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI)

Financial assets are not re-classified subsequent to their recognition except if and in the period the Company changes its business model for managing financial assets.

Financial asset is de-recognised only when the Company has transferred the rights to receive cash flows from the financial asset. Where the entity has transferred the asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, financial asset is de-recognised.

In accordance with Ind AS 109, the Company generally applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition.

**f. Inventories**

- (i) Raw materials, construction materials and stores and spares are valued at weighted average cost including all charges in bringing the materials to the present location.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

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- (ii) Finished goods, traded goods and work- in-progress are valued at the cost or net realisable value, whichever is lower.
- (iii) Obsolete, slow moving and defective inventories are written off/valued at net realisable value during the year as per policy consistently followed by the Company.

**g. Cash and cash equivalents**

Cash and equivalents:

Cash and cash equivalents in the balance sheet comprises of balance with banks and cash on hand and short term deposits with an original maturity of three month or less, which are subject to insignificant risks of changes in value.

Other bank balances:

Other bank balances include deposits with maturity less than twelve months but greater than three months and balances and deposits with banks that are restricted for withdrawal and usage.

**h. Trade receivables**

A receivable is classified as a trade receivable if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at their transaction price and subsequently measured net of any expected credit losses.

**i. Financial liabilities**

- (i) Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified at fair value through profit and loss.
- (ii) Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Financial liabilities carried at fair value through profit and loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.
- (iii) Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired.

**j. Trade payables**

A payable is classified as a trade payable if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

**k. Revenue recognition (refer note no. 42)**

- (i) Revenue from construction contracts is recognised by reference to the stage of completion of the contract activity. The Company follows the percentage completion method, based on the stage of completion at the reporting date, taking into account the contractual price and revision thereto by estimating total revenue including claims/variations and total cost till completion of the contract. While recognising the revenue, an appropriate charge for reasonable factors, which have bearing on the income, are duly considered.

- (ii) Unbilled revenue are recognised based on Cost to Complete estimates as per percentage completion method when the cost have been incurred for achieving physical progress of customised construction activities as per the specifications of the customers for which the asset is created or enhanced.
- (iii) Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably be measured and significant risk and rewards of ownership are transferred to the buyer, which is generally coincides with dispatch of goods. Revenue from product sales are shown at net discounts.
- (iv) Claims are accounted as income in the period of acceptance by the client or evidence of acceptance received.
- (v) Dividend is recognised when the right to receive the payment is established, which is generally when shareholders approve the dividend.
- (vi) Revenue in respect of other income is recognised on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent of uncertainty.

#### **I. Foreign currency transactions**

- (i) Items included in the financial statements are measured using the currency of primary economic environment in which the Company Operates ("the functional currency"). The financial statements are presented in Indian Rupees (₹), which is the Company's functional and presentation currency.
- (ii) Foreign currency transactions are initially recorded in the reporting currency at foreign exchange rate on the date of the transaction.
- (iii) Monetary items of current assets and current liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates are recognised in the Statement of Profit and Loss.
- (iv) Foreign branches functional currency is other than reporting currency of the Company. Foreign branch financial statements are translated into reporting currency of the Company using the year end closing rate for translation of assets and liabilities and average rate for translation of income and expenses. All resulting exchange rate differences are recognised in other comprehensive income till the disposal of the net investment.
- (v) The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates are recognised in the Statement of Profit and Loss.

#### **m. Employee benefit expenses**

- (i) Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare fund etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. These benefits are classified as defined contribution schemes as the Company has no further obligations beyond the monthly contributions.

- (ii) The Company provides for gratuity which is a defined benefit plan, the liabilities of which are determined based on valuations, as at the reporting date, made by an independent actuary using the projected unit credit method. Re-measurement comprising of actuarial gains and losses, in respect of gratuity are recognised in the other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is not reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is re-cognised in the Statement of Profit and Loss in the year of plan amendment or curtailment. The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.
- (iii) Other long term employee benefits comprise of compensated absences/leaves. The actual valuation is done as per projected unit credit method. Re-measurements as a result of experience adjustments and changes in actual assumptions are recognised in the Statement of Profit and Loss.

#### **n. Leases**

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

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

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

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

#### **o. Borrowing costs**

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Also, the effective interest rate amortisation is included in finance costs. Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the Statement of Profit and Loss in the period in which they occur.

#### **p. Taxation**

Income tax expense comprises current tax expense and the deferred tax during the year. Current and deferred taxes are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

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

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. In case of uncertainty of reversal of the deferred tax assets or when it is no longer probable that sufficient taxable profits will be available in the foreseeable future, deferred tax assets, as a matter of prudence, are not recognised.

The carrying amount of deferred tax is reviewed at each reporting date and measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

**q. Provisions and contingent liabilities**

The Company creates a provision when there is present obligation, legal or constructive, as a result of past events that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events. Contingent assets are neither recognised nor disclosed in the financial statements.

**r. Impairment of non-financial assets**

As at each reporting date, the Company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Statement of Profit and Loss.

**s. Earnings Per Share**

- (i) Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.
- (ii) For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

**t. Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the operating decision makers. The decision makers regularly monitor and reviews the operating result of the whole Company. The activities of the Company primarily falls under a single segment of “Engineering and Construction” in accordance with the Ind AS 108 “Operating Segments”.

**Note 2**  
**PROPERTY, PLANT AND EQUIPMENT**

(₹ in lacs)							
Particulars	Land	Buildings	Plant & Equipment	Office Equipment	Furniture & Fixtures	Vehicles	Total
<b>Gross Carrying Value (at deemed cost)</b>							
As at 31st March, 2022 .....	784.65	6,049.14	54,694.06	1,275.42	434.28	3,088.83	66,326.38
Additions .....	-	-	1,102.98	61.22	0.71	8.18	1,173.09
Transfer.....	-	-	-	-	-	-	-
Disposals .....	-	(68.26)	(1,215.38)	(2.67)	(6.80)	(164.84)	(1,457.95)
As at 31st March, 2023 .....	784.65	5,980.88	54,581.66	1,333.97	428.19	2,932.17	66,041.52
Additions .....	-	-	737.79	74.99	3.31	69.24	885.33
Transfer .....	-	-	-	-	-	-	-
Disposals .....	(356.06)	(81.08)	(1,053.45)	(65.71)	(6.01)	(162.26)	(1,724.57)
As at 31st March, 2024 .....	428.59	5,899.80	54,266.00	1,343.25	425.49	2,839.15	65,202.28
<b>Accumulated Depreciation</b>							
As at 31st March, 2022 .....	-	3,098.52	44,946.19	1,161.37	407.38	2,796.44	52,409.90
Depreciation charged .....	-	143.66	2,174.82	59.34	1.60	68.48	2,447.90
Disposals .....	-	(27.15)	(1,097.73)	(2.63)	(6.80)	(157.11)	(1,291.42)
As at 31st March, 2023 .....	-	3,215.03	46,023.28	1,218.08	402.18	2,707.81	53,566.38
Depreciation charged .....	-	132.57	1,897.59	10.25	1.89	47.64	2,089.94
Disposals .....	-	(47.13)	(950.49)	(62.34)	(5.58)	(155.83)	(1,221.37)
As at 31st March, 2024 .....	-	3,300.47	46,970.38	1,165.99	398.49	2,599.62	54,434.95
<b>Net Carrying Value</b>							
As at 31st March, 2023 .....	784.65	2,765.85	8,558.39	115.89	26.01	224.35	12,475.14
As at 31st March, 2024 .....	428.59	2,599.33	7,295.63	177.26	27.00	239.52	10,767.33



**Note 3**  
**INVESTMENT PROPERTIES**

(₹ in lacs)

Particulars	Building	Total
<b>Gross Carrying Value</b>		
As at 1st April, 2022.....	17.63	17.63
Additions / Transfer .....	-	-
Disposals .....	-	-
As at 31st March, 2023.....	17.63	17.63
Additions .....	-	-
Disposals .....	-	-
As at 31st March, 2024 .....	17.63	17.63
<b>Accumulated Depreciation</b>		
As at 1st April, 2022.....	16.75	16.75
Depreciation charged / Transfer .....	-	-
Disposals .....	-	-
As at 31st March, 2023 .....	16.75	16.75
Depreciation charged .....	-	-
Disposals .....	-	-
As at 31st March, 2024 .....	16.75	16.75
<b>Net Carrying Value</b>		
As at 31st March, 2023 .....	0.88	0.88
As at 31st March, 2024 .....	0.88	0.88

**(i) Amount recognised in Profit or Loss for Investment Properties**

(₹ in lacs)

Particulars	31st March, 2024	31st March, 2023
Rental Income	3.47	3.47
Direct Operating Expenses	-	-
Gain from Investment Properties Before Depreciation	3.47	3.47
Depreciation	-	-
Gain from Investment Properties	3.47	3.47

**(ii) Contractual Obligations**

There are no contractual obligations to purchase, construct or develop investment property.



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

**Note 4**  
**RIGHT OF USE ASSETS**

(₹ in lacs)

Particulars	Land	Total
<b>Gross Carrying Value</b>		
As at 31st March, 2022 .....	5.51	5.51
Additions .....	-	-
Disposals .....	-	-
As at 31st March, 2023 .....	5.51	5.51
Additions .....	-	-
Disposals .....	-	-
As at 31st March, 2024 .....	5.51	5.51
<b>Accumulated Depreciation</b>		
As at 31st March, 2022 .....	2.23	2.23
Depreciation charged .....	0.05	0.05
As at 31st March, 2023 .....	2.28	2.28
Depreciation charged .....	0.05	0.05
Disposals .....	-	-
As at 31st March, 2024 .....	2.33	2.33
<b>Net Carrying Value</b>		
As at 31st March, 2023 .....	3.23	3.23
As at 31st March, 2024 .....	3.18	3.18

**Note 5**  
**INTANGIBLE ASSETS**

(₹ in lacs)

Particulars	Computer Software	Total
<b>Gross Carrying Value (at deemed cost)</b>		
As at 31st March, 2022 .....	100.37	100.37
Additions .....	1.95	1.95
Disposals .....	-	-
As at 31st March, 2023 .....	102.32	102.32
Additions .....	13.47	13.47
Disposals .....	-	-
As at 31st March, 2024 .....	115.79	115.79
<b>Accumulated Depreciation</b>		
As at 31st March, 2022 .....	94.79	94.79
Depreciation charged .....	1.95	1.95
Disposals .....	-	-
As at 31st March, 2023 .....	96.74	96.74
Depreciation charged .....	2.20	2.20
Disposals .....	-	-
As at 31st March, 2024 .....	98.94	98.94
<b>Net Carrying Value</b>		
As at 31st March, 2023 .....	5.58	5.58
As at 31st March, 2024 .....	16.85	16.85

**Note 6**  
**NON-CURRENT INVESTMENT**

(₹ in lacs)

Particulars	31st March, 2024	31st March, 2023
<b>a. Investments valued at deemed cost, fully paid-up</b>		
<b>Investments in Subsidiaries in India</b>		
Khagra Joydev Resources Private Limited		
5,100 Equity Shares of ₹ 10 each fully paid-up .....	0.51	0.51
1,39,68,900 Equity Shares of ₹ 1.50 each partly paid-up .....	209.53	209.53
The Jaipur Udyog Limited		
60,35,000 Equity Shares of ₹ 10 each fully paid-up .....	648.84	648.84
11,17,149 Equity Shares of ₹ 1 each partly paid-up		
Gannon Dunkerley Realty Limited .....		
12,30,000 Equity Shares of ₹ 10 each fully paid-up .....	119.53	119.53
Gannon Dunkerley Finance Limited .....		
2,50,000 Equity Shares of ₹ 10 each fully paid-up .....	65.65	65.65
	<b>1,044.06</b>	<b>1,044.06</b>
<b>Investments in Subsidiaries outside India</b>		
Gannon Dunkerley & Co., Limited FZE - Sharjah		
1 Equity Share of Dhs. 1,50,000 each fully paid-up	16.33	16.33
<b>Investments in Joint Ventures in India</b>		
GDCL - CEPL .....	0.65	0.65
<b>Investments in Joint Ventures outside India</b>		
Gannon Dunkerley Co., LLC - UAE		
147 Equity Shares of Dhs. 1,000 each fully paid-up .....	18.75	18.75
<b>b. Investments in others carried at Fair Value through Profit &amp; Loss, fully paid-up</b>		
Investment in 3,00,00,000 Preference Shares of ₹10 each fully paid-up in Morarka Organic Foods Pvt. Limited .....	3,000.00	3,000.00
Investment in Bonds of Sardar Sarovar Nigam Limited .....	30.00	30.00
(pledged against contracts/various authorities)		
Investment in Jewelleries .....	320.00	320.00
	<b>3,350.00</b>	<b>3,350.00</b>
<b>Total Non-Current Investments</b> .....	<b>4,429.79</b>	<b>4,429.79</b>

Refer note no. 53

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

**Note 7  
LOANS**

(₹ in lacs)

Particulars	Non-Current		Current	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
<b>Unsecured, considered good</b>				
Loans to Subsidiaries .....	337.32	312.04	13,075.38	11,691.38
Loans to Joint Ventures .....	-	-	2,850.84	2,850.84
Loans to Bodies Corporate (refer note no. 48) .....	-	-	42,109.46	41,955.62
Employee Loans .....	-	-	41.62	78.48
Other Loans .....	-	-	1,172.65	1,550.75
<b>Total Loans .....</b>	<b>337.32</b>	<b>312.04</b>	<b>59,249.95</b>	<b>58,127.07</b>

Particulars of loan and advances in the nature of loans to Subsidiaries and Joint Ventures :

(₹ in lacs)

Name of the entity	Outstanding balance		Maximum balance outstanding during the year	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
<b>Subsidiaries:</b>				
Gannon Dunkerley & Co., Limited FZE .....	646.96	646.96	646.96	646.96
Gannon Dunkerley Finance Limited .....	615.56	632.85	615.56	632.85
Gannon Dunkerley Realty Limited .....	4,063.54	3,551.28	4,063.54	3,551.28
The Jaipur Udyog Limited.....	7,749.32	6,860.29	7,749.32	6,860.29
Khagra Joydev Resources Private Limited .....	337.32	312.04	337.32	312.04
	<b>13,412.70</b>	<b>12,003.42</b>		
<b>Joint Ventures:</b>				
Gannon Dunkerley Co., LLC .....	2,850.84	2,850.84	2,850.84	2,850.84
	<b>2,850.84</b>	<b>2,850.84</b>		

**Note 8  
OTHER FINANCIAL ASSETS**

(₹ in lacs)

Particulars	Non-Current		Current	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Term Deposits with maturity of more than 12 months* .....	1,328.11	578.32	-	-
Interest Receivables .....	-	-	21.62	1.17
<b>Total Other Financial Assets .....</b>	<b>1,328.11</b>	<b>578.32</b>	<b>21.62</b>	<b>1.17</b>

\* ₹ 1,319.28 lacs (Previous Year ₹ 398.89 lacs) under lien with Banks and Others.

**Note 9  
OTHER ASSETS**

(₹ in lacs)

Particulars	Non-Current		Current	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Trade Advances to Suppliers, Sub-Contractors and Others (refer note no. 48)....	-	-	13,304.52	17,930.02
Security Deposits .....	9,687.69	7,630.32	794.08	517.43
Gratuity Fund .....	588.14	557.70	-	-
Prepaid Expenses .....	-	-	164.78	298.92
Input Credit Receivables .....	-	-	1,398.71	2,867.93
Other Advances .....	-	-	14.16	13.80
<b>Total Other Assets .....</b>	<b>10,275.83</b>	<b>8,188.02</b>	<b>15,676.25</b>	<b>21,628.10</b>

**Note 10  
INVENTORIES**

(₹ in lacs)

Particulars	31st March, 2024	31st March, 2023
Stock-in-Trade .....	4,696.62	6,466.53
Raw Materials .....	117.62	153.03
Finished Goods .....	460.00	185.78
Goods-in-Transit .....	0.90	120.26
Work-in-Progress .....	4,212.67	5,801.78
<b>Total Inventories .....</b>	<b>9,487.81</b>	<b>12,727.38</b>

Refer note no. 44

**Note 11  
TRADE RECEIVABLES**

(₹ in lacs)

Particulars	31st March, 2024	31st March, 2023
Unsecured, Considered Good .....	77,243.49	83,894.41
Unsecured, Significant Increase in Credit Risk .....	24,869.42	44,414.39
Unsecured, Considered Doubtful .....	17,115.99	25,818.86
Less: Loss Allowance for Doubtful Debts .....	(6,015.41)	(5,800.41)
<b>Total Trade Receivables .....</b>	<b>1,13,213.49</b>	<b>1,48,327.25</b>

Refer note no. 45

**11.1 Trade Receivables Ageing Schedule :**

(₹ in lacs)

Particular	Not Due / Unbilled	Outstanding for the following period from due date of payments					Total
		< 6 months	6 months-1 year	1-2 years	2-3 years	> 3 years	
As at 31st March, 2024							
Undisputed, Considered Good	66,115.11	7,947.54	3,180.84	-	-	-	77,243.49
Undisputed having Significant Increase in Credit Risk	-	-	-	4,503.91	4,169.43	16,196.08	24,869.42
Undisputed Trade Receivable Credit Impaired	-	-	-	-	-	-	-
Disputed Trade Receivables - Considered Good	-	-	2,961.20	3,646.10	3,860.37	6,648.32	17,115.99
	66,115.11	7,947.54	6,142.04	8,150.01	8,209.79	22,844.41	1,19,228.90

Less : Allowance for Credit Losses ..... (6,015.41)

**Total Trade Receivables ..... 1,13,213.49**

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lacs)							
Particular	Not Due / Unbilled	Outstanding for the following period from due date of payments					Total
		< 6 months	6 months-1 year	1-2 years	2-3 years	> 3 years	
As At 31st March, 2023							
Undisputed, Considered Good	63,908.18	11,447.40	4,747.01	3,791.82	-	-	83,894.41
Undisputed having Significant Increase in Credit Risk	-	-	-	-	17,149.38	27,265.01	44,414.39
Undisputed Trade Receivables-Credit Impaired	-	-	-	-	-	-	-
Disputed Trade Receivables - Considered Good	11,591.41	1,008.44	2,532.21	1,971.47	3,386.15	5,329.18	25,818.86
	75,499.59	12,455.84	7,279.22	5,763.29	20,535.53	32,594.19	1,54,127.66
Less : Allowance for Credit Losses .....							(5,800.41)
Total Trade Receivables .....							1,48,327.25

## Note 12 CASH AND CASH EQUIVALENTS

(₹ in lacs)		
Particulars	31st March, 2024	31st March, 2023
Balances with Banks .....	10,566.07	8,311.32
Cash on Hand .....	23.14	56.82
<b>Total Cash and Cash Equivalents .....</b>	<b>10,589.21</b>	<b>8,368.14</b>

## Note 13 OTHER BANK BALANCES

(₹ in lacs)		
Particulars	31st March, 2024	31st March, 2023
Deposits with maturity more than 3 months* .....	-	396.89
Unclaimed Dividend Accounts .....	0.20	0.98
Balances in Current Accounts ** .....	2,860.46	2,853.82
<b>Total Other Bank Balances .....</b>	<b>2,860.66</b>	<b>3,251.69</b>

There are no amount due and outstanding to be credited to the Investor Education and Protection Fund as at 31st March, 2024.

\* ₹ Nil (Previous Year ₹ 396.89 lacs) under lien with Banks and Others.

\*\* Balances with Banks having restriction on repatriation.

## Note 14 INCOME TAX

(₹ in lacs)		
Particulars	31st March, 2024	31st March, 2023
The following table provides the details of Income Tax Assets and Liabilities:		
Income Tax Assets .....	5,576.63	5,611.85
Current Income Tax Liabilities .....	(201.45)	(574.45)
<b>Net Balance .....</b>	<b>5,375.18</b>	<b>5,037.40</b>
<b>The Gross Movement in the Current Tax Asset / (Liability)</b>		
Net Current Income Tax Asset at the beginning .....	5,037.40	8,015.53
Income Tax Paid (Net of Refunds) .....	351.90	(2,723.99)
Current Income Tax Expense .....	(14.12)	(254.14)
<b>Net Current Income Tax Asset at the end ....</b>	<b>5,375.18</b>	<b>5,037.40</b>

**Note 15**  
**EQUITY SHARE CAPITAL**

(₹ in lacs)

Particulars	31st March, 2024	31st March, 2023
<b>Authorised</b>		
1,80,00,000 Equity Shares of ₹ 10 each .....	1,800.00	1,800.00
2,00,000 Preference Shares of ₹ 100 each .....	200.00	200.00
	<b>2,000.00</b>	<b>2,000.00</b>
<b>Issued, Subscribed and Paid-up</b>		
26,88,000 Equity Shares of ₹ 10 each fully paid-up .....	268.80	268.80
<b>Total Equity Share Capital</b> .....	<b>268.80</b>	<b>268.80</b>

a. Equity shares issued as fully paid-up bonus shares or otherwise than by cash during the preceding five year : Nil

b. Reconciliation of equity shares outstanding at the beginning and at the end of the year: (₹ in lacs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No. of shares	₹	No. of shares	₹
<b>Balance at the beginning of Year</b> .....	26,88,000	268.80	26,88,000	268.80
Issue of equity shares during the Year .....	-	-	-	-
<b>Balance at end of the Year</b> .....	<b>26,88,000</b>	<b>268.80</b>	<b>26,88,000</b>	<b>268.80</b>

c. Shares held by Promoters and Promoter Group:

Name of Shareholder	As at 31st March, 2024		As at 31st March, 2023		Change (%)
	Number	% of holding	Number	% of holding	
Ramkumar Morarka & Sons Private Limited .....	11,33,832	42.18	11,33,832	42.18	-
Gannon Dunkerley Holdings Private Limited .....	6,17,120	22.96	6,17,120	22.96	-
United India Agencies Private Limited .....	6,05,220	22.52	6,05,220	22.52	-
Late Shri Kamal M. Morarka Estate .....	2,19,116	8.15	2,19,116	8.15	-
Mrs. Bharati K. Morarka .....	92,566	3.44	92,566	3.44	-

Name of Shareholder	As at 31st March, 2023		As at 31st March, 2022		Change (%)
	Number	% of holding	Number	% of holding	
Ramkumar Morarka & Sons Private Limited .....	11,33,832	42.18	11,33,832	42.18	-
Gannon Dunkerley Holdings Private Limited .....	6,17,120	22.96	6,17,120	22.96	-
United India Agencies Private Limited .....	6,05,220	22.52	6,05,220	22.52	-
Late Shri Kamal M. Morarka Estate .....	2,19,116	8.15	2,19,116	8.15	-
Mrs. Bharati K. Morarka .....	92,566	3.44	92,566	3.44	-

d. Shares held by each Shareholder holding more than five percent shares:

Name of Shareholder	As at 31st March, 2024		As at 31st March, 2023		Change (%)
	Number	% of holding	Number	% of holding	
Ramkumar Morarka & Sons Private Limited .....	11,33,832	42.18	11,33,832	42.18	-
Gannon Dunkerley Holdings Private Limited .....	6,17,120	22.96	6,17,120	22.96	-
United India Agencies Private Limited .....	6,05,220	22.52	6,05,220	22.52	-
Late Shri Kamal M. Morarka Estate .....	2,19,116	8.15	2,19,116	8.15	-

e. Rights, Preferences and Restrictions attached to Shares:

The Company has one class of equity shares having a face value of ₹ 10 each ranking pari passu in all respect including voting rights and entitlement to dividend. Each holder of equity shares is entitled to one vote per share. Dividend proposed by the Board of Directors and approved by the shareholders in the annual general meeting is paid to the shareholders.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

**Note 16  
OTHER EQUITY**

(₹ in lacs)

Particulars	31st March, 2024	31st March, 2023
<b>General Reserve :</b>		
Balance at the beginning of the Year .....	65,000.00	65,000.00
Add: Transferred from Retained Earnings .....	-	-
Balance at the end of the Year .....	65,000.00	65,000.00
<b>Retained Earnings :</b>		
Balance at the beginning of the Year .....	(16,996.98)	(17,597.45)
Profit / (Loss) for the Year .....	(11,942.09)	600.47
Appropriations :		
Transfer to General Reserve .....	-	-
Balance at the end of the Year .....	(28,939.07)	(16,996.98)
<b>Other Components of Equity :</b>		
Re-measurement of Defined Benefit Plans (Net of Tax) .....	496.13	436.74
Exchange Differences on Foreign Currency Translation of Foreign Operations ..	7,328.81	7,339.12
	7,824.94	7,775.86
<b>Total Other Equity .....</b>	<b>43,885.87</b>	<b>55,778.88</b>

**General Reserve:** The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under Companies Act, 2013.

**Retained Earnings:** Retained earnings are the profits that the Company has earned till date, less transfers to general reserve, dividends or other distributions paid to shareholders.

**Foreign Currency Translation Reserve:** Exchange difference on translation of long term monetary asset is accumulated in separate reserve within equity.

**Net Gain/(Loss) on Fair Value of Defined Benefit Plans:** The Company has recognised re-measurement gains/(loss) on defined benefit plans in OCI. These changes are accumulated within the OCI reserve within other equity. The Company transfers amount from this reserve to retained earning when the relevant obligations are de-recognised.

**Note 17  
BORROWINGS**

(₹ in lacs)

Particulars	Non-Current		Current	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
<b>Secured:*</b>				
Working Capital Finance from Banks .....	-	-	64,341.37	69,533.86
Current Maturities of Long-Term Debt .....	-	-	26,506.06	26,663.40
	-	-	90,847.43	96,197.26
<b>Unsecured:</b>				
Term Loans from Related Parties .....	-	-	1,112.09	2,373.68
Inter Corporate Loans .....	-	-	-	-
	-	-	1,112.09	2,373.68
<b>Total Borrowings .....</b>	<b>-</b>	<b>-</b>	<b>91,959.52</b>	<b>98,570.94</b>

\* Total borrowings from banks is classified as NPA by lenders (refer note no. 43).

Note: Term loans and working capital finance from banks and financial institutions are secured by hypothecation of all present & future inventories, book debts, tangible current assets, and mortgages of specified properties. Term loan of SBI of ₹1,250.00 lacs is secured against properties and corporate guarantee provided by M/s. Virat Infra Projects Pvt. Ltd. and M/s. I.K. Infrastructure Pvt. Ltd.

**Note 18  
OTHER FINANCIAL LIABILITIES**

(₹ in lacs)

Particulars	Non-Current		Current	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
<b>Non-Current:</b>				
Interest accrued and due on Borrowings (refer note no. 43) ...	-	-	6,957.33	6,957.34
Payable towards Services rendered .....	-	-	358.92	391.57
Unclaimed Dividend .....	-	-	0.28	1.05
<b>Total Other Financial Liabilities .....</b>	<b>-</b>	<b>-</b>	<b>7,316.53</b>	<b>7,349.96</b>

**Note 19  
PROVISIONS**

(₹ in lacs)

Particulars	Non-Current		Current	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Provision for Leave Encashment .....	-	-	100.05	134.01
Provision for Bonus .....	-	-	88.10	102.88
<b>Total Provisions.....</b>	<b>-</b>	<b>-</b>	<b>188.15</b>	<b>236.89</b>

**Note 20  
DEFERRED TAX LIABILITIES / (ASSETS)**

(₹ in lacs)

Particulars	31st March, 2024	31st March, 2023
On account of timing differences in :		
Depreciation on Property, Plant & Equipment .....	(2,844.19)	(1,065.66)
Carry Forward of Business Loss / MAT .....	(5,676.93)	(583.19)
Retention Money on Contracts .....	1,738.09	3,591.90
Provision for Doubtful Debts .....	(2,101.78)	(2,026.90)
Disallowances u/s 43B of the Income Tax Act and Others.	(1,520.67)	(2,521.79)
<b>Total Deferred Tax Liability / (Assets) .....</b>	<b>(10,405.48)</b>	<b>(2,605.64)</b>

Note: Deferred tax is worked out based on the provisional income tax working and other information prepared by the management.

**Note 21  
OTHER LIABILITIES**

(₹ in lacs)

Particulars	Non-Current		Current	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Advances from Customers .....	-	-	22,713.18	24,876.49
Statutory Liabilities .....	-	-	3,009.90	1,319.93
Other Liabilities .....	-	-	21,954.46	22,619.89
<b>Total Other Liabilities .....</b>	<b>-</b>	<b>-</b>	<b>47,677.54</b>	<b>48,816.31</b>



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

**Note 22**  
**TRADE PAYABLES**

(₹ in lacs)

Particulars	Non-Current		Current	
	31st March, 2024	31st March, 2023	31st March, 2024	31st March, 2023
Trade Payables:				
Total outstanding dues of Micro and Small Enterprises (refer note no. 39)	-	-	1,000.27	1,629.23
Total outstanding dues of Creditors other than Micro and Small Enterprises	-	-	61,742.26	73,415.83
<b>Total Trade Payables</b> .....	-	-	<b>62,742.53</b>	<b>75,045.06</b>

**22.1 Trade Payables Ageing Schedule:**

(₹ in lacs)

Particulars	Not Due	Outstanding for the following period from due date of payments				
		Less than 1 year	1-2 years	2-3 years	> 3 years	Total
As at 31st March, 2024						
Outstanding dues to MSME .....	-	686.52	226.90	44.04	42.81	1,000.27
Others .....	6,543.24	15,720.89	10,770.83	10,057.73	18,649.57	61,742.26
Total .....	6,543.24	16,407.41	10,997.73	10,101.77	18,692.38	62,742.53
As at 31st March, 2023						
Outstanding dues to MSME .....	-	848.12	276.78	148.90	355.43	1,629.23
Others .....	131.41	35,703.18	14,155.14	10,380.11	13,045.99	73,415.83
Total .....	131.41	36,551.30	14,431.92	10,529.01	13,401.42	75,045.06

**Note 23**  
**REVENUE FROM OPERATIONS**

(₹ in lacs)

Particulars	2023-2024	2022-2023
Work Bills .....	68,698.08	1,10,128.16
Unbilled Revenue (refer note no. 42) .....	32,739.47	38,932.19
Sales:		
Finished Goods .....	1,698.02	1,399.18
Traded Goods .....	1,865.26	345.96
Sales of Services and Commission Income .....	4.44	34.48
Other Operating Income .....	1,260.28	2,860.15
<b>Total Revenue from Operations</b> .....	<b>1,06,265.55</b>	<b>1,53,700.12</b>

**Note 24**  
**OTHER INCOME**

(₹ in lacs)

Particulars	2023-2024	2022-2023
Interest Receipts .....	3,472.44	1,833.07
Insurance Claim Receipts.....	135.97	37.20
Lease Rent Receipts .....	26.79	300.91
Profit on sale of Property, Plant & Equipment (Net) .....	189.54	333.88
Profit from Joint Ventures .....	4.45	5.27
Gain on Fair Valuation of Mutual Fund .....	8.20	4.39
VAT/GST Refund Receipts .....	326.89	-
Miscellaneous Income .....	2.35	139.61
<b>Total Other Income</b> .....	<b>4,166.63</b>	<b>2,654.33</b>

**Note 25**  
**COST OF MATERIALS CONSUMED**

(₹ in lacs)

Particulars	2023-2024	2022-2023
Raw Materials Consumed :		
Opening Stock .....	153.03	55.81
Add: Purchases .....	1,054.33	939.82
	1,207.36	995.63
Less: Closing Stock .....	(117.62)	(153.03)
<b>Total Cost of Materials Consumed .....</b>	<b>1,089.74</b>	<b>842.60</b>

**Note 26**  
**OPERATING CHARGES**

(₹ in lacs)

Particulars	2023-2024	2022-2023
Freight, Duty, Clearing and Forwarding Charges .....	846.78	534.95
Sub-Contracts, Materials and Labour Charges .....	76,047.30	1,21,107.13
Power and Fuel .....	1,932.06	2,100.66
Rates and Taxes .....	168.01	265.78
Repairs to Machinery and Hire Charges .....	1,587.13	2,301.27
<b>Total Operating Charges .....</b>	<b>80,581.28</b>	<b>1,26,309.79</b>

**Note 27**  
**CHANGES IN INVENTORIES**

(₹ in lacs)

Particulars	2023-2024	2022-2023
Closing Stock :		
Work-in-Progress .....	4,212.67	5,801.78
Finished Goods .....	460.00	185.78
Stock-in-Trade .....	4,696.62	6,466.53
	9,369.29	12,454.09
Less : Opening Stock :		
Work-in-Progress .....	5,801.78	6,513.46
Finished Goods .....	185.78	183.26
Stock-in-Trade .....	6,466.53	6,845.69
	12,454.09	13,542.41
<b>Changes in Inventories .....</b>	<b>3,084.80</b>	<b>1,088.32</b>

**Note 28**  
**EMPLOYEE BENEFIT EXPENSES**

(₹ in lacs)

Particulars	2023-2024	2022-2023
Salaries, Bonus, Commission and Service Charges .....	7,778.14	9,157.67
Directors Remuneration .....	190.49	160.00
Contribution to Provident Fund & Other Welfare Funds .....	1,110.31	1,352.00
Staff Welfare Expenses .....	434.58	509.03
<b>Total Employee Benefit Expenses .....</b>	<b>9,513.52</b>	<b>11,178.70</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

**Note 29**  
**FINANCE COSTS**

(₹ in lacs)

Particulars	2023-2024	2022-2023
Interest :		
Banks (refer note no. 43) .....	-	3,924.25
Others .....	566.20	1,011.50
	<u>566.20</u>	<u>4,935.75</u>
Other Borrowing Costs .....	1,194.30	966.31
<b>Total Finance Costs .....</b>	<b><u>1,760.50</u></b>	<b><u>5,902.06</u></b>

**Note 30**  
**DEPRECIATION AND AMORTISATION EXPENSES**

(₹ in lacs)

Particulars	2023-2024	2022-2023
Tangible Assets .....	2,089.94	2,447.90
Intangible Assets .....	2.20	1.95
Right of Use Assets .....	0.05	0.05
<b>Total Depreciation and Amortisation .....</b>	<b><u>2,092.19</u></b>	<b><u>2,449.90</u></b>

**Note 31**  
**OTHER EXPENSES**

(₹ in lacs)

Particulars	2023-2024	2022-2023
Stationery, Postage, Telephone and Advertisement .....	185.35	164.72
Office Rent, Restoration and Maintenance Expenses .....	1,059.80	1,360.03
Travelling and Conveyance Expenses .....	515.40	553.90
Vehicle Expenses .....	715.20	1,010.34
Insurance Premiums .....	394.72	323.98
Brokerage, Commission and Consultancy Fees .....	4.35	4.12
Repairs to Buildings & Others .....	200.16	207.23
Legal and Professional Fees .....	1,696.03	1,190.89
Donations .....	6.38	21.82
Bad Debts and Sundry Balances Written Off .....	-	39.25
Provision for Doubtful Debts .....	215.00	290.66
Electricity Charges .....	318.91	320.39
Payment to Auditors .....	38.14	30.00
Business Promotion Expenses .....	23.05	11.27
Directors Sitting Fees .....	1.00	1.20
Rates & Taxes .....	250.87	219.38
Liquidated Damages .....	232.46	1,355.27
Miscellaneous Expenses .....	70.68	456.71
<b>Total Other Expenses .....</b>	<b>5,927.50</b>	<b>7,561.16</b>

Payments to Auditors

Audit Fees .....	28.00	23.00
Tax Audit Fees .....	7.00	7.00
Other Services .....	3.14	-
	<u>38.14</u>	<u>30.00</u>

**Note 32**  
**EARNING PER SHARE**

Particulars	2023-2024	2022-2023
Profit / (Loss) for the Year (₹ in lacs) .....	(11,942.09)	600.47
Weighted Average Number of Shares (Nos.) .....	26,88,000	26,88,000
Earnings Per Share (Basic and Diluted) ₹ .....	(444.27)	22.34
Face Value Per Share ₹ .....	10.00	10.00

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

## Note 33

## FAIR VALUE MEASUREMENT

## (i) Financial Instruments by Category

(₹ in lacs)

Particulars	As at 31st March, 2024				As at 31st March, 2023			
	FVPL	FVOCI	Amortised Cost	Fair Value	FVPL	FVOCI	Amortised Cost	Fair Value
<b>Financial Assets</b>								
Investments:								
In Subsidiaries and Joint Ventures..	-	-	1,079.79	1,079.79	-	-	1,079.79	1,079.79
Preference Shares .....	3,000.00	-	-	3,000.00	3,000.00	-	-	3,000.00
Bonds & Others .....	350.00	-	-	350.00	350.00	-	-	350.00
Trade Receivables .....	-	-	1,13,213.49	1,13,213.49	-	-	1,48,327.25	1,48,327.25
Loans Non - Current .....	-	-	337.32	337.32	-	-	312.04	312.04
Loans - Current .....	-	-	59,249.95	59,249.95	-	-	58,127.07	58,127.07
Other Financial Assets Non - Current..	-	-	1,328.11	1,328.11	-	-	578.32	578.32
Other Financial Assets Current .....	-	-	21.62	21.62	-	-	1.17	1.17
Cash and Cash Equivalents .....	-	-	10,589.21	10,589.21	-	-	8,368.14	8,368.14
Other Bank Balances .....	-	-	2,860.66	2,860.66	-	-	3,251.69	3,251.69
<b>Total Financial Assets .....</b>	<b>3,350.00</b>	<b>-</b>	<b>1,88,680.15</b>	<b>1,92,030.15</b>	<b>3,350.00</b>	<b>-</b>	<b>2,20,045.47</b>	<b>2,23,395.47</b>
<b>Financial Liabilities</b>								
Borrowings :								
Short Term Borrowings .....	-	-	91,959.52	91,959.52	-	-	98,570.94	98,570.94
Trade Payables .....	-	-	62,742.53	62,742.53	-	-	75,045.06	75,045.06
Other Financial Liabilities-Current .....	-	-	7,316.53	7,316.53	-	-	7,349.96	7,349.96
<b>Total Financial Liabilities.....</b>	<b>-</b>	<b>-</b>	<b>1,62,018.58</b>	<b>1,62,018.58</b>	<b>-</b>	<b>-</b>	<b>1,80,965.96</b>	<b>1,80,965.96</b>

## (ii) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value, and (b) measured at amortised cost and for which fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels prescribed under Ind AS -113 "Fair Value Measurements".

## Financial Assets measured at Fair Value - Recurring Fair Value Measurements at 31st March, 2024

(refer note no. 53)

(₹ in lacs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Investment at FVPL</b>				
Investment in Preference Shares .....	-	-	3,000.00	3,000.00
Investment in Bonds & Others.....	-	-	350.00	350.00
<b>Total .....</b>	<b>-</b>	<b>-</b>	<b>3,350.00</b>	<b>3,350.00</b>

## Financial Assets measured at Fair Value - Recurring Fair Value Measurements at 31st March, 2023

(₹ in lacs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial Investment at FVPL</b>				
Investment in Preference Shares .....	-	-	3,000.00	3,000.00
Investment in Bonds & Others. ....	-	-	350.00	350.00
<b>Total .....</b>	<b>-</b>	<b>-</b>	<b>3,350.00</b>	<b>3,350.00</b>

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices in active markets. Quotes would includes rates/values/valuation references published periodically by stock exchanges on basis of which trades take place in a linked or unlinked active market. This includes traded bonds and mutual funds, as the case may be.

**Level 2:** The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximise the use of observable market data (either directly as prices or indirectly derived from prices) and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and in determination asset included in level 3.

#### Note 34

#### FINANCIAL RISK MANAGEMENT

The Company's activities expose it to credit risk, liquidity risk and market risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, financial assets and trade receivables	Credit ratings, Ageing analysis and Credit evaluation	Diversification of counter parties, investment limits, check on counter parties basis credit rating and number of overdue days
Liquidity Risk	Borrowings, trade payables and other liabilities	Maturity analysis	Maintaining sufficient cash/cash equivalents and marketable securities
Market Risk	Financial assets and liabilities not denominated in INR (₹)	Sensitivity analysis	Constant evaluation and proper risk management policies

The Board provides guiding principles for overall risk management as well as policies covering specific areas such as foreign exchange risk, credit risk and investment of surplus liquidity.

#### A. Credit Risk

Credit risk refers to the risk of a counter party default on its contractual obligation resulting into a financial loss to the Company. The maximum exposure of the financial assets represents trade receivables, work-in-progress and receivables from group companies and others.

In respect of trade receivables, the Company uses a provision matrix to compute the expected credit loss allowances for trade receivables in accordance with the expected credit loss (ECL) policy of the Company. The Company regularly reviews trade receivables and necessary provisions, whenever required, are made in the financial statements. However, in respect of adequacy of provision for expected credit losses, note no. 45 may be referred.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

**B. Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet its commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial assets quickly at close to its fair value.

The Company, to the best extent possible, attempts to manage liquidity risk by maintaining adequate liquid assets and banking facilities by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities. Note no. 19 of Annexure - A to the Auditor's Report may be referred.

Contractual maturities of significant financial liabilities are as follows:

(₹ in lacs)

Particulars	Less than or equal to	More than	Total
	one year	one year	
<b>Liquidity Exposure as on 31st March, 2024</b>			
<b>Financial Liabilities :</b>			
Short Term Borrowings .....	91,959.52	-	91,959.52
Trade Payables .....	62,742.53	-	62,742.53
Other Financial Liabilities .....	7,316.53	-	7,316.53
<b>Total Financial Liabilities .....</b>	<b>1,62,018.58</b>	<b>-</b>	<b>1,62,018.58</b>
<b>Liquidity Exposure as on 31st March, 2023</b>			
<b>Financial Liabilities :</b>			
Short Term Borrowings .....	98,570.94	-	98,570.94
Trade Payables .....	75,045.06	-	75,045.06
Other Financial Liabilities .....	7,349.96	-	7,349.96
<b>Total Financial Liabilities .....</b>	<b>1,80,965.96</b>	<b>-</b>	<b>1,80,965.96</b>

**C. 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. Such changes in the values of financial instruments may result from changes in foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

The Company has several balances in foreign currency and consequently, the Company is exposed to foreign exchange risk. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies, to the extent possible.

**a) Interest Rate Risk:**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings, wherever possible.

**b) Interest Rate Sensitivity:**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in lacs)

Particulars	Increase/Decrease in Basis Points	Effect of Profit Before Tax
March 31, 2024	+100	919.60
	-100	(919.60)
March 31, 2023	+100	985.71
	-100	(985.71)

Company's exposure to foreign currency risk at the end of each reporting period is as under:

**c) Exposure in Foreign Currency - unhedged**

(Respective Foreign Currency in lacs)

Currency	31st March, 2024	31st March, 2023
<b>Receivables</b>		
LYD	282.41	282.41
<b>Payables</b>		
LYD	130.70	130.70

**d) Foreign Currency Sensitivity:**

The Company is mainly exposed to change in LYD. The below table demonstrates the sensitivity to a 5% increase or decrease in the LYD against INR (₹), with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at reporting date. The sensitivity of 5% represents management's assessment of reasonably possible change in foreign exchange rate.

(₹ in lacs)

Particulars	Currency	Change in Rate	Effect on Profit Before Tax
March 31, 2024	LYD	+5%	130.77
	LYD	-5%	(130.77)
March 31, 2023	LYD	+5%	130.24
	LYD	-5%	(130.24)

**Note 35****CAPITAL MANAGEMENT**

The Company's capital management objective is to maximise the total shareholder returns by optimising cost of capital through flexible capital structure that supports growth. Further, the Company attempts to ensure optimal credit risk profile to maintain/enhance credit rating.

The Company determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

However, due to the business losses for the past few years, the Company is facing difficulties to meet its obligations for repayments of its borrowings. Consequently, certain loans have become overdue and classified by the lenders as sub-standard. The Company is in process of settlement of these debts with respective lenders at amicable terms.



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

The following table summarises the capital of the Company:

(₹ in lacs)

Particulars	As at	
	31st March, 2024	31st March, 2023
Total Debt (including interest accrued and due) .....	98,916.85	1,05,528.28
Total Equity .....	44,154.67	56,047.68
Total Debt to Equity Ratio .....	2.24	1.88

**Note 36****EXCEPTIONAL ITEMS REPRESENTS**

(₹ in lacs)

Particulars	31st March, 2024	31st March, 2023
Balances related to suppliers / debtors identified as unrecoverable and written off during the year .....	26,142.36	-

These balance with the above suppliers and debtors were recognized as good and recoverable by the management and no provisions thereagainst were made till the previous year. However, the Company, during the year, examined each of these accounts with the suppliers and debtors and identified all these balances as not recoverable and consequently written off and charged to the statement of profit & loss.

**Note 37****CONTINGENT LIABILITIES**

(₹ in lacs)

No.	Particulars	31st March, 2024	31st March, 2023
1.	For indemnity and guarantees by banks against contracts (include Advance Payment Guarantees (APGs) aggregating to ₹ 16,544.39 lacs (Previous Year ₹ 18,898.49 lacs). The actual liability against the APGs of ₹ 22,713.18 lacs (Previous Year ₹ 24,876.49 lacs) is already shown in note no. 21).....	66,547.49	79,023.09
2.	Guarantees given by the Company in respect of facilities sanctioned by the bank to Other Company...	44.75	-
3.	Excise, service tax and sales tax matters .....	5,485.20	2,935.11
4.	Claims against the Company not acknowledged as debt .....	29,746.56	28,070.62
5.	Income tax matters .....	923.89	620.46
6.	In respect of certain borrowings classified as NPAs by the lenders, interest has been provided only to the date of the borrowings became NPA. Further interest is not provided as the lenders have not charged interest on these amounts. Liability on account of this is not ascertained by the Company.		

Note: The above information is given as certified by the management. In absence of any audit evidence, the Auditors have not been able to verify the same.

**Note 38****EMPLOYEE BENEFITS****Funded Scheme****Gratuity**

Liability for employee gratuity has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Indian Accounting Standard -19, the details of which are as hereunder. The Company makes contributions to approved gratuity fund.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lacs)

Particulars	31st March, 2024	31st March, 2023
<b>Amount recognised in Balance Sheet</b>		
Present Value of Funded Defined Benefit Obligation .....	(1,168.99)	(1,250.23)
Fair Value of Plan Assets .....	1,757.13	1,807.93
<b>Net Funded Obligation .....</b>	<b>588.14</b>	<b>557.70</b>
<b>Expense recognised in the Statement of Profit and Loss</b>		
Current Service Cost .....	99.00	152.66
Adjustment to Opening Balance.....	0.86	(3.51)
Interest on Net Defined Benefit Asset .....	(39.01)	(39.34)
<b>Total Expense charged to Profit and Loss Account ...</b>	<b>60.85</b>	<b>109.81</b>
<b>Amount recorded as Other Comprehensive Income</b>		
<b>Opening amount recognised in OCI outside Profit &amp; Loss Account ..</b>	<b>668.64</b>	<b>598.55</b>
Re-measurements during the period due to:		
Changes in Financial Assumptions .....	-	-
Actual return on Plan Assets less Interest on Plan Assets .....	91.29	70.09
<b>Closing amount recognised in OCI outside Profit &amp; Loss Account ...</b>	<b>759.93</b>	<b>668.64</b>
<b>Reconciliation of Net Liability/(Asset)</b>		
<b>Opening Net Defined Benefit Liability / (Asset) .....</b>	<b>(557.70)</b>	<b>(597.42)</b>
Expense charged to Profit and Loss Account .....	60.85	109.81
Amount recognised outside Profit and Loss Account .....	(91.29)	(70.09)
Benefits paid .....	-	-
<b>Closing Net Defined Benefit Liability / (Asset) .....</b>	<b>(588.14)</b>	<b>(557.70)</b>
<b>Movement in Benefit Obligation</b>		
<b>Opening of Defined Benefit Obligation .....</b>	<b>1,250.23</b>	<b>1,451.56</b>
Current Service Cost .....	99.00	152.66
Interest on Defined Benefit Obligation .....	81.70	85.93
Actuarial Loss/(Gain) arising from change in Financial Assumptions .....	(24.27)	(136.84)
Benefits paid from the Fund .....	(237.67)	(303.08)
<b>Closing of Defined Benefit Obligation .....</b>	<b>1,168.99</b>	<b>1,250.23</b>
<b>Movement in Plan Assets</b>		
<b>Opening Fair Value of Plan Assets .....</b>	<b>1,807.93</b>	<b>2,048.98</b>
Return on Plan Assets excluding Interest Income .....	67.02	(66.75)
Interest Income .....	120.71	125.27
Adjustment to Opening Fair Value of Plan Assets.....	(0.86)	3.51
Benefits paid .....	(237.67)	(303.08)
<b>Closing of Defined Benefit Obligation .....</b>	<b>1,757.13</b>	<b>1,807.93</b>
<b>Principal Actuarial Assumptions</b>		
Discount Rate .....	6.97	7.15
Salary Escalation Rate p.a. ....	5.00	5.00

## Sensitivity analysis for significant assumption is as shown below:

(₹ in lacs)

Particulars	Sensitivity Level	31st March, 2024	31st March, 2023
Discount Rate .....	1% Increase	1,124.23	1,199.66
	1% Decrease	1,217.62	1,305.35
Salary .....	1% Increase	1,215.26	1,302.73
	1% Decrease	1,125.67	1,201.23

## The following are the Expected Future Benefit payments for the Defined Benefit Plan:

(₹ in lacs)

Particulars	31st March, 2024	31st March, 2023
Within the next 12 months (Next Annual Reporting Period) .....	204.49	215.27
Between 2 and 5 years .....	641.63	683.62
Beyond 5 years .....	508.17	549.64

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

**Note 39**

Disclosure under the Micro, Small and Medium Enterprise Development Act, 2006 are provided as under for the year 2023-24 to the extent the Company has received intimation from the Suppliers regarding their status under the Act.

(₹ in lacs)

Particulars	31st March, 2024	31st March, 2023
Principal amount due to Micro and Small Enterprise .....	1,000.27	1,629.23
Interest due on above.....	-	-

**Note 40****RELATED PARTY TRANSACTIONS**

Sr. No.	Particulars	Country of Incorporation	Extent of Holding %
(i)	Subsidiaries		
1	Gannon Dunkerley & Co., Limited FZE .....	UAE	100.00
2	Khagra Joydev Resources Private Limited .....	India	51.00
3	Gannon Dunkerley Finance Limited .....	India	100.00
4	Gannon Dunkerley Realty Limited .....	India	100.00
5	The Jaipur Udyog Limited .....	India	97.03
6	Virat Infra Project Private Limited .....	India	100.00
7	I.K. Infrastructure Private Limited .....	India	100.00
(ii)	Joint Ventures		
8	Gannon Dunkerley & Co., LLC .....	UAE	49.00
9	GDCL - MIS Shivam .....	India	51.00
10	GDCL - CEPL .....	India	65.00
11	GDCL - Krishna .....	India	80.00
12	GDCL - SIL .....	India	60.00
13	GDCL - EMIT .....	India	51.00
14	GDCL - SMISL .....	India	60.00
(iii)	Associates		
15	Gannon Dunkerley Holdings Private Limited		
16	Ramkumar Morarka & Sons Private Limited		
17	United India Agencies Private Limited		
18	Travelera Private Limited		
19	Courier Publications Private Limited		
20	Ankush Publications Private Limited		
21	Nalanda Consultants Private Limited		
(iv)	Key Management Personnel		
22	Shri Parag C. Mehta .....	Director	
23	Smt. Pragati Mundhra .....	Director	
24	Shri Manoj Kumar Singh .....	Managing Director	
25	Shri R. P. Agarwal .....	Vice President & Company Secretary	
(v)	Relatives of Key Management Personnel		
26	Smt. Bharati K. Morarka		
(vi)	Others		
27	GDCL Employees Gratuity Fund		
28	MRM - GDC Rural Research Foundation		

(₹ in lacs)

Nature of transaction		Year ended 31st March, 2024	Year ended 31st March, 2023
<b>Subsidiaries, Joint Ventures and Associates:</b>			
<b>1. Service Charges Paid</b>			
Nalanda Consultants Pvt. Limited .....	Associate	0.50	1.70
<b>2. Travel Related Services</b>			
Travelera Pvt. Limited .....	Associate	32.69	27.16
<b>3. Loan Granted</b>			
Gannon Dunkerley Finance Limited .....	Subsidiary	32.80	92.26
Gannon Dunkerley Realty Limited .....	Subsidiary	232.08	195.99
The Jaipur Udyog Limited .....	Subsidiary	62.48	61.89
Khagra Joydev Resources Private Limited .....	Subsidiary	25.28	23.38
GDCL- EMIT .....	Joint Venture	10.05	11.01
GDCL- Krishna .....	Joint Venture	85.81	-
GDCL- MIS Shivam .....	Joint Venture	7.10	-
GDCL- SIL .....	Joint Venture	-	1,018.82
<b>Total.....</b>		<b>455.60</b>	<b>1,403.35</b>
<b>4. Loan Repaid</b>			
Gannon Dunkerley Finance Limited .....	Subsidiary	50.08	217.30
Gannon Dunkerley Realty Limited .....	Subsidiary	98.66	466.22
The Jaipur Udyog Limited .....	Subsidiary	25.07	2.40
GDCL - Krishna .....	Joint Venture	-	34.02
GDCL - CEPL .....	Joint Venture	-	0.89
<b>Total.....</b>		<b>173.81</b>	<b>720.83</b>
<b>5. Interest Received</b>			
Khagra Joydev Resources Private Limited .....	Subsidiary	28.08	25.98
Gannon Dunkerley Finance Limited .....	Subsidiary	36.35	102.47
<b>Total.....</b>		<b>64.43</b>	<b>128.45</b>
<b>Outstanding Balances:</b>			
<b>1. Loans</b>			
Gannon Dunkerley Finance Limited .....	Subsidiary	615.56	632.85
Gannon Dunkerley Realty Limited .....	Subsidiary	4,063.54	3,930.12
The Jaipur Udyog Limited .....	Subsidiary	7,749.32	7,711.91
Khagra Joydev Resources Private Limited .....	Subsidiary	337.32	312.04
Virat Infra Projects Private Limited .....	Subsidiary	2.89	2.89
I. K. Infrastructure Private Limited .....	Subsidiary	2.12	2.12
Gannon Dunkerley & Co., Limited FZE .....	Subsidiary	646.96	646.96
Gannon Dunkerley & Co., LLC .....	Joint Venture	2,850.84	2,850.84
GDCL- MIS Shivam .....	Joint Venture	7.10	-
GDCL- Krishna.....	Joint Venture	742.31	656.50
GDCL- SIL .....	Joint Venture	-	1,051.82
GDCL- EMIT .....	Joint Venture	20.57	10.52
<b>Total.....</b>		<b>17,038.53</b>	<b>17,808.57</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

(₹ in lacs)

Nature of transaction		Year ended 31st March, 2024	Year ended 31st March, 2023
<b>2. Other Advances</b>			
Courier Publications Pvt. Limited .....	Associate	174.34	174.34
Ankush Publications Pvt. Limited .....	Associate	2,751.04	2,750.92
<b>Total</b> .....		<b>2,925.38</b>	<b>2,925.26</b>
<b>3. Other Current Liabilities</b>			
Gannon Dunkerley Holdings Private Limited .....	Associate	10.47	10.47
United India Agencies Pvt. Limited .....	Associate	28.63	28.63
Travelera Private Limited.....	Associate	6.12	7.53
<b>Total</b> .....		<b>45.22</b>	<b>46.63</b>
<b>Key Managerial Personnel and Relatives:</b>			
<b>1. Sitting Fees</b>			
Shri Parag C. Mehta .....	Director	1.00	1.20
<b>2. Remuneration</b>			
Shri Manoj Kumar Singh .....	Managing Director	190.49	160.00
Shri R. P. Agarwal .....	Vice President and Company Secretary	69.31	69.07
<b>Total</b> .....		<b>259.80</b>	<b>229.07</b>
<b>3. Loan Repaid</b>			
Ramkumar Morarka & Sons Private Limited .....	Associate	957.56	-
<b>Outstanding balances:</b>			
<b>1. Current borrowings :</b>			
Late Shri Kamal M. Morarka .....	Director	306.26	306.26
Ramkumar Morarka & Sons Private Limited .....	Associate	765.68	1,723.24
<b>Total</b> .....		<b>1,071.94</b>	<b>2,029.50</b>

**41. ADDITIONAL REGULATORY INFORMATION**

Additional Regulatory Information pursuant to clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the financial Statement.

**a. Ratio :**

No.	Particulars	Numerator	Denominator	As at 31st March		Variance %	Reason for variance, if more than 25%
				2024	2023		
1	Current Ratio (in times)	Current Assets	Current Liabilities	1.03	1.12	(7.83)	
2	Debt-Equity Ratio (in times)	Total Debt	Shareholder's Equity	2.24	1.88	18.98	
3	Debt Service Coverage Ratio (in times)	Earning available for Service Debt*	Interest Costs, Lease Payments, Repayment of Long-Term Borrowings	0.29	0.22	30.79	Increase in Profit Before Exceptional Items
4	Return on Equity Ratio (%)	Net Profit After Taxes	Average Shareholder's Equity	28.34	1.08	2,535.91	Increase in Profit Before Exceptional Items
5	Inventory Turnover Ratio (No. of days)	Net Sales	Average Inventory	38.61	32.14	20.13	
6	Trade Receivables Turnover Ratio (No. of days)	Net Credit Sales	Average Trade Receivables	449.17	316.89	41.75	Decrease in Trade Receivables
7	Trade Payables Turnover Ratio (No. of days)	Net Credit Purchases	Average Trade Payables	307.90	210.20	46.48	Decrease in Trade Payables
8	Net Capital Turnover Ratio (in times)	Net Sales	Working Capital	16.13	5.60	187.98	Decrease in Working Capital
9	Net Profit Ratio (%)	Net Profit*	Operating Revenue	13.36	0.39	3,320.48	Increase in Profit Before Exceptional Items
10	Return on Capital Employed (%)	Earning Before Interest and Taxes*	Capital Employed	6.48	4.55	42.22	Increase in Profit Before Exceptional Items
11	Return on Investments (%)	Income generated from Invested Funds*	Average Invested Funds	-	-	-	

\* Excluding Exceptional Items.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024**

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- b. The title deeds of all immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- c. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- d. The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- e. The Company has not been declared as a wilful defaulter by any lender who has powers to declare a Company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.
- f. As certified by the management, the Company does not have any transactions with struck-off companies.
- g. The Company has used the borrowings from financial institutions for the specific purpose for which it was obtained.
- h. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.
- i. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries), with the understanding that the intermediary shall;
  - i. 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
  - ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- j. The Company has not received any funds from any person(s) or entity (ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;
  - i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries), or
  - ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- k. The Company does not have any transactions which is not recorded in the books of account but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- l. In respect of quarterly returns or statements to be filed by the Company with banks, the management of the Company contents that these returns are not filed with banks as the Company is under the process of restructuring of outstanding debts with various banks.
- m. The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.
- n. The management confirms that the accounting software used by the Company for maintaining books of account does not have a feature of recording audit trail (edit log) facility throughout the year for all transactions recorded in the software. The management is, however, in the process of implementing the same in the current year.



42. Revenue in respect of unbilled revenue for work contracts is recognised based on Cost to Complete estimates as per percentage of completion method when physical progress of work has been achieved and costs have been incurred for achieving such a physical progress. As contended by the management, all the constructions activities in respect of unbilled revenue are customised as per the requirements of the customers for which the asset is created or enhanced. Certifications of unbilled revenues aggregating to ₹ 32,739.47 lacs (Previous Year ₹ 38,932.19 lacs) are not received. In the opinion of the management, necessary certifications often take significant period of time and varies from project to project, which will be billed and realised in due course of time. The Auditors have relied upon the assumptions, estimates and information furnished by the management.
43. All secured borrowings of the Company aggregating to ₹ 90,847.43 lacs ( Previous Year ₹ 96,197.26 lacs ) have been classified as NPA by the respective lenders. Balance confirmations in respect of all the balances with banks are not received and are, therefore, subject to confirmations from the respective banks. The Company is in the process of negotiation for the settlement of these dues with the lenders. Based on the proposed restructuring plan prepared by the Company for submission to the lenders and in expectation of the favourable outcome thereto, interest on these borrowings up to the previous year has been provided to the extent as proposed in this restructuring plan. No interest has been provided for the year as the management expects that the interest already provided for would be adequate as per the proposed restructuring plan. In the absence of any external evidence in this respect, the Auditors have solely relied on the explanations furnished by the management in this regard. Any adverse outcome to the settlement process with the lenders would impact the profit of the Company to that extent.

Classifications of borrowings as well as securities offered against the borrowings as stated in note no. 17 are provided by the management. In absence of any other audit evidences, the Auditors have relied upon the information furnished by the management.

44. As contended by the management, no impairment is required in respect of inventories lying for more than three years. The Auditors have relied upon the explanations furnished to them by the management as it has not been possible for the Auditors to ascertain whether any impairment to these assets is required.

Stock of paintings of the Company aggregating to ₹ 4,696.92 lacs ( Previous Year ₹ 6,466.53 lacs ) is non-moving for many years except for sales of ₹ 1,865.26 lacs ( Previous Year ₹ 345.96 lacs ) during the year and is valued at cost. In absence of any professional valuation report, there is no base to verify the net realisable value thereof. The management, however, contends that the entire stock of painting is saleable for more than its cost and does not require any impairment. The Auditors have relied upon the same.

45. In respect of trade receivables, the management contends that the outstanding receivables at the end of the year are reviewed by the Company and all the receivables except for those for which provision for loss allowance is made, are good and recoverable and no further provision for impairment thereon is required. Trade receivables ₹ 1,13,213.49 lacs ( Previous Year ₹ 1,48,327.25 lacs ) at the end of the year are 44.53% (Previous Year 51.75%) of the total assets of the Company against which provision of excepted losses as determined by the Company is ₹ 6,015.41 lacs (Previous Year ₹ 5,800.41 lacs.) Even debts determined to be doubtful and outstanding for more than three years are not fully provided for. The Auditors have not been able to verify whether this provision for expected credit loss is adequate or not.
46. Balance confirmations in respect of trade receivables, trade payables, security deposits, and loans to bodies corporate and others in few cases, Goods and Service Tax (GST) receivables, term deposits with banks, advances and some of borrowings accounts have not been obtained. In the absence of balance confirmations from respective parties and appropriate audit evidence, the correctness of these balances could not be verified by the Auditors and the entries and other supporting records have been relied upon by the Auditors.
47. In respect of Libya Division of the Company, the situation in Libya continues to be uncertain as a result of which there is no progress in the Company's project in Libya. The Company has already provided for all expenses till date and does not consider the need for making any further provision for losses as on date. Audited financial statements of Libya Division have not been received and financial data of this branch is incorporated based on unaudited financials and other information received from the Division and certified by the management of the Company.



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024**

48. In respect of loans and trade advances to bodies corporate and others aggregating to ₹ 7,980.58 lacs (Previous Year ₹ 8,945.85 lacs), most of which are stagnant and no recoveries are forthcoming and also balance confirmations are also not being received. The management contends that efforts are continued for recovery/adjustment of such loans and advances. It is expected that there would be suitable recoveries/adjustments within a reasonable period and no impairment provision is required on such advances. No provision is made in the books for these loans and advances though the significant amount is outstanding for many years. In absence of any convincing evidences for not providing for any impairment, the Auditors have relied upon the contention and explanation of the management in this regard.
49. In respect of fixed assets of the Company, physical verification has been carried out by the management during the year and in the opinion of the management, no impairment in respect of fixed assets is required. The Auditors have relied upon the certificate and explanations furnished to them by the management.
50. Interest on certain loans, advances in the nature of loans and inter-corporate deposits including loans to subsidiary, joint venture and associate company, companies, aggregating to ₹ 57,394.59 lacs ( Previous Year ₹ 57,710.15 lacs) is not charged.
51. There have been delays and irregularities in the payment of statutory dues to various government authorities and filing of requisite returns under the various laws. The Company has, in a few cases, not provided for consequential interest, fees and penalties which may arise for such non-compliance.
52. In absence of any formal agreements with the respective parties, classification of loans and advances into long-term and short-term could not be verified by the Auditors and the same is relied upon the information and explanations given by the management.
53. Investments were not made available to the Auditors for verification and the same have, therefore, been taken as certified by the management. In the opinion of the management, no impairment on the investment is required. However, in absence of any external evidences being made available, the Auditors have relied upon the contention and information furnished by the management. Fair value of investment as stated in note no. 33(ii) is not carried out by the Company and the same is, therefore, stated at the last valuation available with the Company.
54. Balances in various GST accounts are subject to reconciliations with relevant GST returns and records.
55. During the year, bank guarantees aggregating to ₹ 2,746.57 lacs have been invoked by the customers. These amounts are stated as recoverable from the customers till the reconciliation or arbitration with that customer is finalised.
56. Interest accrued on term deposits with the banks and others has been provided as estimated by the management for which detailed working or necessary audit evidences are not made available and the Auditors have, therefore, relied upon the explanations of the management.
57. Figures of previous years have been regrouped and rearranged wherever necessary.

Signatures to Notes 1 to 57

The accompanying notes are integral part of these financial statements.

As per our report of even date  
For SANGHAVI & COMPANY  
Chartered Accountants

For and on behalf of the Board of Directors

MANOJ GANATRA  
Partner

R. P. AGARWAL  
Company Secretary

P. C. MEHTA  
PRAGATI MUNDHRA  
MANOJ KUMAR SINGH

} Directors  
Managing Director

Mumbai, 22nd October, 2024

Mumbai, 22nd October, 2024