



**MODI INDUSTRIES
LIMITED**

**90th ANNUAL REPORT
2023-24**





Contents

01

Board of Directors

02

New Plant/Project

03

Financial Graphs

04

AGM Notice

18

Directors' Report

44

Auditors' Report

60

Financial
Statements

77

Notes to the
Accounts

Forward looking statements

Some information in this report may contain forward looking statements. We have based these forward looking statements on our current beliefs, expectations and intentions, actions and events that will or may occur in future. However, we caution that forwarding looking statements and assumed facts or bases almost always vary from actual reasons, and the differences between results implied by the forwarding looking statements and assumed facts or bases and actual results can be material, depending on the circumstances.



BOARD OF DIRECTORS

CHAIRMAN AND MANAGING DIRECTOR

Shri Umesh Kumar Modi

DIRECTORS

Shri Vinay Kumar Modi
Smt. Kumkum Modi
Shri Rakesh Kumar Modi
Shri Abhishek Modi
Shri Jayesh Modi
Shri Anand Parkash Modi
Shri Avinash Kumar Modi
(Additional Director w.e.f. 15th June 2024)
Shri Jagdish Chander Chawla
Shri Vivek Singh (Nominee of SBEC Sugar Ltd)
Shri Rahul Chaudhary (Nominee of SBEC Sugar Ltd.)

COMPANY SECRETARY, DGM (LEGAL)

Shri Shobit Nehra

STATUTORY AUDITORS

M/s. P.R. Mehra & Co.,
Chartered Accountants,
(Firm Regn No. 000051N)
56, Darya Ganj, New Delhi-110002.

COST AUDITORS

M/s. M.K. Singhal & Co.,
Cost Accountants
(Firm Regn. No. 00074)
'Panchvati', Opp. M.M. Degree College,
Modinagar-201204. (U.P.)

INTERNAL AUDITORS

M/s. P.D. Ramanand & Co.,
Chartered Accountants,
(Firm Regn No. 001104C)
Opp. M.M. Degree, College,
Modinagar-201204. (U.P.)

SECRETARIAL AUDITORS

M/s. A.N. Jaiswal & Co.,
Company Secretaries,
(CP No. 14629)
RZ-38, FF, South Extension, Part II,
Near Jagaran Chowk, Uttam Nagar (W),
New Delhi 110059.

REGISTERED OFFICE

Modinagar, District Ghaziabad (U.P.)-201204

NAME OF UNITS

Modi Sugar Mills
Modi Distillery
Modi Steels
Modi Arc Electrodes Co.

BANKERS

Indian Bank
Punjab National Bank
State Bank of India
Axis Bank



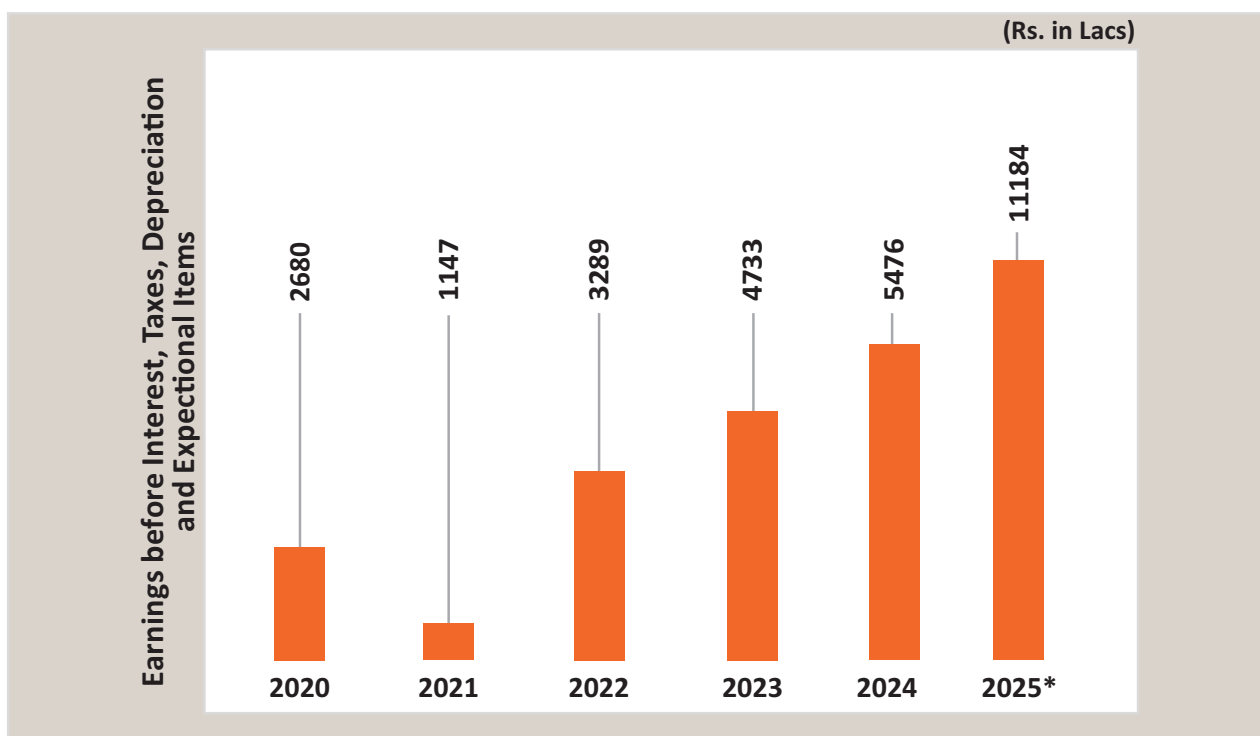
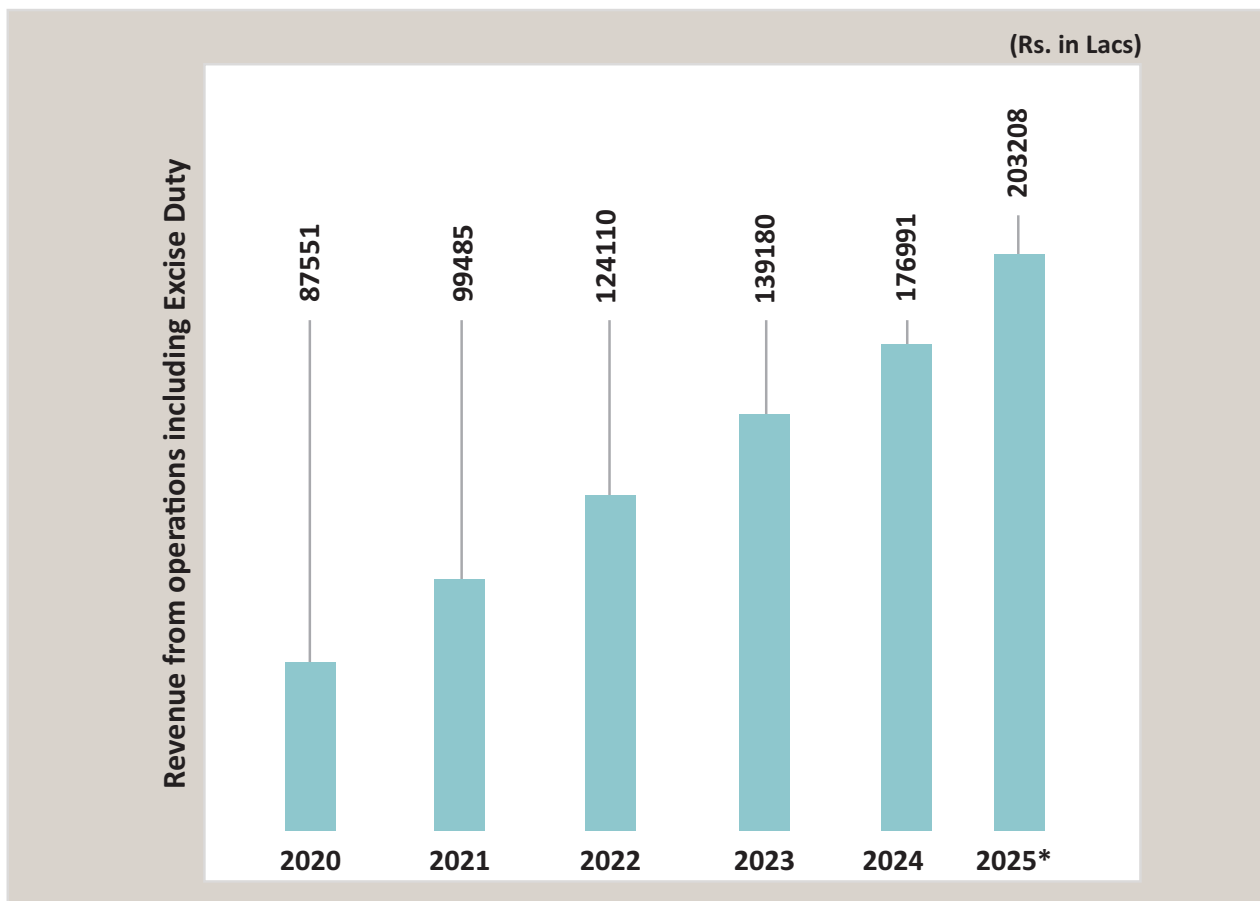
Aerial view of Grain Distillery - Expansion of Modi Distillery, Modinagar
The commercial production has started from March 2024.



**Artistic view of First Residential Project named as
"Umesh Park Phase-I" at Modinagar**
UP RERA Registration Number: UPRERAPRJ821313/02/2024
UP RERA website: www.up-rera.in/projects

For more details
Scan the QR Code





	(Rs. in Lacs)					
	2020	2021	2022	2023	2024	2025*
Revenue from operations including Excise Duty	87551	99485	124110	139180	176991	203208
Earnings before Interest, Taxes, Depreciation and Exceptional Items	2680	1147	3289	4733	5476	11184

*Projected Figure As Per Budget.

Note: The sales and profits of the company have increased since the Board of Directors appointed Shri Umesh Kumar Modi as Chairman and Managing Director of the Company in the financial year 2020-2021.



NOTICE

NOTICE is hereby given that the 90th Annual General Meeting of **Modi Industries Limited** will be held on **Monday, the 30th September, 2024, at 3:30 PM**, at Auditorium, Dayawati Modi Public School, Modinagar, District Ghaziabad (U.P.) 201204, to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2024 and the reports of the Board of Directors and Auditors thereon and in this regard, pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED** that the audited financial statement of the Company for the financial year ended March 31, 2024 and the reports of the Board of Directors and the Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

2. To appoint Directors, who retire by rotation at this Annual General Meeting and being eligible, offer themselves for re-appointment and to consider and, if thought fit, to pass, the following resolutions as **Ordinary Resolutions**:

(a) “**RESOLVED** that pursuant to Section 152(6) and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) and re-enactment thereof for the time being in force), Shri Vinay Kumar Modi (DIN 00274605), who retires by rotation at this Annual General Meeting and is eligible for re-appointment, be and is hereby re-appointed as Non-Executive Director of the Company liable to retire by rotation.”

(b) “**RESOLVED** that pursuant to Section 152(6) and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) and re-enactment thereof for the time being in force), Shri Jayesh Modi (DIN 02849637), who retires by rotation at this Annual General Meeting and is eligible for re-appointment, be and is hereby re-appointed as Non-Executive Director of the Company liable to retire by rotation.”

SPECIAL BUSINESS:

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

“**RESOLVED** that Shri Avinash Kumar Modi (DIN-10629923),, who was appointed as an Additional Director of the Company effective from June, 15, 2024 pursuant to Section 161(1) of the Companies Act, 2013 and Article 91 of the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and who is eligible for appointment and has consented to act as Director of the Company, be and is hereby appointed as a Director of the Company who shall be liable to retire by rotation.”

4. To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED** that pursuant to recommendation of the Nomination and Remuneration Committee of the Company and other necessary approval, if any, pursuant to provisions of Sections 152, 161, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule – V of the Companies Act, 2013, as amended from time to time, the consent of the members be and is hereby accorded for the appointment of Shri Avinash Kumar Modi (DIN 10629923), Director of the Company designated as Executive Director (Head Office) for a period of three years from 15.06.2024 up to 14.06.2027, on the remuneration and terms and conditions as given below:

Sl. No.	Particulars	Amount in Rs. (Per month)
I	SALARY AND ALLOWANCES (PM)	
	Basic Salary	1,55,015
	HRA	93,009
	Medical Allowance	12,912
	Special Allowance	33,866
	Reimbursement - Books & Periodical	1,080
II	ANNUAL	
	L.T.A.	12,914
	Bonus/Ex-gratia	12,914
III	RETIRAL BENEFITS	
	Company Contribution to Provident Fund as per policy/rules of the Company.	18,602
IV	TOTAL PER MONTH	3,40,312
	ADDITIONAL BENEFITS	
	Allowance in lieu of Car	27,000
	Reimbursement of Driver Salary	17,900
	Reimbursement of fuel expenses	Actual
	Reimbursement of Telephone	Actual
	Total per month	3,85,212
	Gross per Annum	46,22,544

The annual increase in total remuneration (as stated in table given above) of Shri Avinash Kumar Modi as Director of the Company, who designated as Executive Director (Head Office), shall be as per the policy of the Company as may be decided by the Board of Directors of the Company on the recommendations of Nomination and Remuneration Committee, from time to time.

Other Terms and Conditions:

- (a) For the discharge of duties, Shri Avinash Kumar Modi shall report to and derive his authorities and functional responsibilities from the Chairman and Managing Director of the Company, from time to time.
- (b) Either party may terminate the appointment by giving to the other 3 calendar months' notice in writing.
- (c) In the event of termination of appointment by the Company, he shall not be entitled to receive compensation in accordance with the provisions of the Companies Act, 2013, as amended from time to time.
- (d) Encashment of leave at the end of tenure will be as per rules of the Company.
- (e) Remuneration for a part of the year shall be computed on a pro-rata basis.
- (f) Perquisites shall be evaluated at actual cost or if the cost is not ascertainable the same shall be valued as per Income Tax Rules.



- (g) He shall not be entitled to any sitting fees for attending the meeting(s) of Board of Directors or Committee(s) thereof of the Company.
- (h) For the purposes of retirement benefits like Gratuity, Provident Fund etc., the service of Shri Avinash Kumar Modi, Director of the Company designated as Executive Director (Head Office), will be considered as continuation of service from the date of his joining with the Company.

RESOLVED FURTHER that any Director and/or Company Secretary, DGM (Legal) of the Company be and are hereby severally authorised to do all acts, deeds and things which are necessary to give effect to the appointment of the aforesaid person.”

5. Ratification of remuneration payable to Cost Auditors for the financial year ending March 31, 2025.

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

“**RESOLVED** that pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 and rules made there under, (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the members be and is hereby accorded for payment of total remuneration of Rs. 1,40,000/- (including all expenses) + applicable taxes payable to M/s. M.K. Singhal & Co., (Firm’s Regn. No. 00074) Cost Accountants, Modinagar, to conduct the audit of Cost Accounts maintained by Sugar and Distillery units of the Company for the financial year 2024-25.”

**By Order of the Board of Directors
for Modi Industries Limited**

Place : Modinagar-201204.(U.P.)

Dated: 17th August, 2024

(Shobit Nehra)

(ACS-31863)

Company Secretary, DGM (Legal)

Regd. Office: Modinagar - 201204. (U.P.)

Tel: 01232-243115, 9084786567

CIN - U15429UP1932PLC000469

Email : modiindustrieslimited@gmail.com

Website: www.modiindustries.net

NOTES:

- 1 A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members and holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc. must be supported by an appropriate resolution/authority, as applicable.
- 2 An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.**
- 3. The requirement to place the matter relating to appointment of Auditors for the ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting held on 20th December, 2022.**



4. Brief resume of Directors seeking appointment / re-appointment at the Annual General Meeting is annexed hereto.
5. The Register of Members of the Company will remain closed from 24th September, 2024 to 30th September, 2024 (both days inclusive).
6. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except Saturday, Sunday and Holidays, between 9.00 A.M. to 11.00 A.M. upto the date of the Annual General Meeting.
7. ISIN of fully paid up equity shares of the Company is INE573D01012. For demat of shares related work shareholders are requested to please contact to Registrar & Transfer Agents (RTA) of the Company, M/s. Mas Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase II, New Delhi 110020 (Contact No. 011-26387281-82-83) or their NSDL / CDSL Depository Participant where they have opened their Demat Account.
8. Shareholders are requested to intimate change in their address, if any, directly to RTA of the Company.
9. Share-holders who have not registered their email addresses so far are requested to register their email address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.
10. For convenience of the Members and proper conduct of the meeting, entry to the meeting venue will be regulated by Attendance Slip, which is being sent along with this Annual Report. Members are requested to sign at the place provided on the Attendance Slip and hand it over at the Registration Counter at the venue.
11. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.
12. In case of joint holders, attending the meeting, only such joint holder who is higher in the order of names, will be entitled to vote at the Meeting.
13. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. The Members, whose names appear in the Register of Members as on Monday, the 23rd September, 2024, i.e. the date prior to the commencement of book closure, are entitled to vote on the Resolutions set forth in this Notice. The members may cast their votes on electronic voting system from place other than the venue of the meeting (remote e-voting). The remote e-voting period will commence at 9.00 a.m. on Friday, the 27th September, 2024 and will end at 5.00 p.m. on Sunday, the 29th September, 2024. The Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM. The Company has appointed M/s. A. N. Jaiswal & Co., Practicing Company Secretaries of New Delhi, to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner. Shri Amar Nath Jaiswal, Proprietor, shall act as Scrutinizer on behalf of the firm. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.
14. In view of the massive outbreak of the COVID-19 pandemic and as per circulars issued by MCA, the Members of the Company will attend AGM of the Company through Video Conferencing (VC) or Other Audio Visual Means (OAVM).
15. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.



16. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
17. Pursuant to the provisions of Section 108 of the Companies Act, 2013 and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
18. In accordance with Notification of Government of India dated 10th September, 2018 any request for physical transfer of shares of an unlisted Company shall not be processed w.e.f. 2nd October, 2018.

Further, in compliance with SEBI vide its circular SEBI/HO/ MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022, the following requests received by the Company in physical form will be processed and the shares will be issued in dematerialization form only:-

- i. Issue of duplicate share certificate
- ii. Claim from unclaimed suspense account
- iii. Renewal/Exchange of securities certificate
- iv. Endorsement
- v. Sub-division / splitting of securities certificate
- vi. Consolidation of securities certificates/folios
- vii. Transmission
- viii. Transposition

For this purpose, the securities holder/claimant shall submit a duly filled up Form ISR-4 which is hosted on the website of RTA i.e. Mas Services Ltd, Registrar and Share Transfer Agent (RTA). The aforementioned form shall be furnished in hard copy form.

Members holding shares in physical form are requested to dematerialize their holdings at the earliest.

19. It is mandatory, vide SEBI Circular dated 3rd November, 2021 read with clarification dated 14th December, 2021, for the shareholders holding securities in physical form to furnish PAN, KYC (complete address with Pin-code, Bank detail with MICR-CODE & IFS CODE, Email ID, Mobile Number) and Nomination details to the Registrar and Transfer Agents (RTA) of the Company effective from 1st January, 2022. The shareholders holding shares in physical form are requested to note that in case of failure to provide required documents and details as per aforesaid SEBI Circular, all folios of such shareholders shall be frozen on or after April 01, 2023 by the RTA. In view of the above, shareholders of the Company holding securities in physical form are requested to provide following documents/details to RTA:

- i. PAN; (using Form ISR-1)
- ii. Nomination in Form No. SH-13 or submit declaration to 'Opt-out' in Form ISR-3.
- iii. Contact details including Postal address with PIN Code, Mobile Number, E-mail address;
- iv. Bank Account Details including Bank name and branch, Bank account number, IFS Code;
- v. Specimen signature (using Form ISR-2).

Any cancellation or change in nomination shall be provided in Form No. SH-14.

All of above required documents/details are to be sent at the address of registered office of the RTA. The shareholders can download the forms mentioned from RTA website i.e. www.masserv.com.



20. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website www.modiindustries.net of the Company, Modi Industries Limited at Modinagar and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Friday, the 27th September, 2024 at 9:00 A.M. and ends on Sunday, the 29th September, 2024 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 23rd September, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 23rd September, 2024.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by the Company, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

<u>Type of shareholders</u>	<u>Login Method</u>
Individual Shareholders holding securities in demat mode with NSDL.	1. If you are already registered for NSDL IDeAS facility , please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “ Beneficial Owner ” icon under “Login” which is available under “ IDeAS ” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against Company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com . Select “ Register Online for IDeAS ” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirect Reg.jsp



	<p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against Company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
<p>Individual Shareholders holding securities in Demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login the Easi / Easiest user will be able to see the E-Voting Menu. The Menu will have links of e-voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & e-mail as recorded in the Demat Account. After successful authentication, user will be provided links or the respective ESP i.e. NSDL where the e-voting is in progress.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants.</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CSDL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CSDL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against Company name or e-Voting service provider- NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

<u>Login type</u>	<u>Helpdesk details</u>
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022-48867000 or 022-24997000.
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cDSLindia.com or contact at 022-23058738 or 022-23058542-43.

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

<u>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</u>	<u>Your User ID is:</u>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID. For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300*** 12*****
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company. For example if folio number is 001*** and EVEN is 129996 then user ID is 129996001***.

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.



- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of Client ID for CDSL Account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join Annual General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join Annual General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and Annual General Meeting is in active status.
2. Select "EVEN" of Modi Industries Limited for which you wish to cast your vote during the remote e-Voting period and casting your vote during the Annual General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Annual General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.



Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please send signed request with Folio No., Name of shareholder, scanned copy of any one share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor@masserv.com with subject line of “user detail” requested for Annual General Meeting of Modi Industries Limited.
2. In case shares are held in demat mode, please update your email ID with your Depository and send client master copy to investor@masserv.com with subject line “user detail” required for Annual General Meeting of Modi Industries Limited (dpid - clied). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e.Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by the Company, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against Modi Industries Limited. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.



5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at modiindustrieslimited@gmail.com. The same will be replied by the Company suitably.

General Instructions

- i. The Board of Directors has appointed M/s. A. N. Jaiswal & Co., Practicing Company Secretaries of New Delhi (ACS NO. 19000, CP. NO. 14629) to act as the Scrutinizer for conducting e-voting process and voting through ballot paper at the Annual General Meeting in a fair and transparent manner.
- ii. Shri Amar Nath Jaiswal, proprietor shall act as a Scrutinizer on behalf of M/s A. N. Jaiswal & Co., Practicing Company Secretaries (Membership No. ACS-19000 & CP No. 14629), appointed by the Board of Directors for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- iii. Corporate/Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to epost2amar@gmail.com with a copy marked to evoting@nsdl.co.in.
- iv. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the evoting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- v. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the e-voting facility.
- vi. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- vii. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.modiindustries.net and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing.
- viii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-1020-990 and 1800-22-4430 or send a request to Pallavi Mhatre, Manager, NSDL at evoting@nsdl.co.in.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

ITEM NO. 3

The Board of Directors ("Board"), upon recommendation of the Nomination and Remuneration Committee, appointed Shri Avinash Kumar Modi as an Additional Director of the Company with effect from 15th June, 2024 pursuant to Section 161 of the Companies Act, 2013 read with Article 91 of the Articles of Association of the Company. He holds office as Director only upto the date of the ensuing Annual General Meeting of the Company and eligible to be appointed as a Director of the Company. The Company has received from Shri Avinash Kumar Modi (i) consent in writing to act as Director in Form DIR 2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and (ii) Intimation in Form DIR-8 in terms of Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under Section 164 of the Act. The profile and specific area of expertise of Shri Avinash Kumar Modi are provided in Annexure to this Notice.

The Board recommends the resolution set forth in Item No. 3 for the approval of the Members.

None of the Directors except Shri Avinash Kumar Modi are in any way concerned/interested in the resolution as set out in Item No. 3 of the Notice.

ITEM NO. 4

Shri Avinash Kumar Modi (DIN: 10629923), aged 59 years, is a Commerce Graduate from Punjab University. He has rich experience in the area of finance, accounts, management, administration and operations of the business for more than 33 Years.

Having considered the appointment of Shri Avinash Kumar Modi (DIN: 10629923) as an Additional Director on the Board of the Company. The Board further, in terms of the requirement of Sections 152, 161, 197 & 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, approved the appointment of Shri Avinash Kumar Modi as Director of the Company designated as Executive Director (Head Office) for a term of three years with effect from 15.06.2024 subject to necessary approval by the Members in the forthcoming Annual General Meeting of the Company and secured creditors for payment of the remuneration as mentioned at Item No. 4 of the Notice. The approval of the Secured Creditors for payment of the remuneration has been obtained by the Company.

The information as required under Schedule V of the Companies Act, 2013 is given herein under:

I. GENERAL INFORMATION:

1. Nature of Industry – Manufacturing and Trading.

2. The Company commenced commercial production on 3rd January, 1933.

3. Financial performance based on given indicators:

(Rs. in Lacs)

Financial Parameters	2023-24	2022-23
Total Income (Net of Excise Duty and Other Income)	1,15,654.07	97,190.81
Profit / (Loss) before Finance costs, Depreciation and amortisation & Exceptional Items	5,476.09	4,733.24
Finance Costs	3,212.49	1,944.44
Depreciation and amortisation	652.79	508.08
Profit/ (Loss) for the year before Exceptional Items	1,610.81	2,280.72
Exceptional Items- (Net)	(1,357.60)	(1,170.92)
Provision for Tax	-	-
Net Profit / (Loss) for the year	253.21	1,109.80

II. INFORMATION ABOUT THE APPOINTEE:

- Background details:** Shri Avinash Kumar Modi, aged 59 years, is a Commerce Graduate from Punjab University. He has rich experience in the area of finance, accounts, management, administration and operations of the business for more than 33 Years. His vast and rich experience will enable the Company to survive and go ahead in future.
- Past remuneration:** NA (Previously he was engaged in his own business).
- Job profile and his suitability:** Shri Avinash Kumar Modi is a Commerce Graduate from Punjab University. He has rich experience in the area of finance, accounts, management, administration and operations of the business for more than 33 Years which will help the Company to achieve good performance in future.
- Remuneration proposed:** Details of proposed remuneration is given in Item No. 4 of the Notice convening the 90th Annual General Meeting.
- Comparative remuneration profile with respect to industry size of the Company, profile of the position and person:** The remuneration paid to Shri Avinash Kumar Modi is in line with the similar companies and is even on lower side when compared with similar profile in the industry.
- Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:** NIL.



III. **OTHER INFORMATION:**

- (1) **Reasons of loss or Inadequate profits:** Despite the satisfactory turnover and profits in the last three financial years, the profitability of the Company has suffered due to heavy accumulated losses.
- (2) **Steps taken/proposed to be taken for improvement:** The Company undertook an expansion project by setting up a new Grain Distillery Plant by converting its 30 KLPD molasses distillery into 32 KLPD Grain Distillery. In the said expansion project the Company has spent an amount of Rs.35 Crore and the commercial production of GNA has started with effect from 1st March, 2024. Further, the Company has also started the construction work of the residential project named as “Umesh Park Phase 1” on the land area approx 7610.82 Sq.Mtr. which was lying vacant at Umesh Park, Modinagar. The said project will have two towers and every tower will have 10 floors with four flats on each floor (approx 114 flats)
- (3) **Expected increase in productivity and profits in measurable terms:** The Company expects to achieve turnover of Rs.2009.00 Crores and Gross Profit of approx. Rs. 82.26 Crore for the year 2024-25.

Since appointment of Shri Avinash Kumar Modi as Director of the Company designated as Executive Director (Head Office) for a term of three years commencing from 15.06.2024 requires approval of the shareholders by way of Special Resolution in terms of the provisions of Schedule V of the Companies Act, 2013, therefore, on recommendations of Nomination and Remuneration Committee, the Board of Directors recommends the resolution, as set out in Item No. 4 of the Notice for approval of the shareholders as a special resolution.

None of the Directors except Shri Avinash Kumar Modi are in any way concerned/interested in the resolution as set out in Item No. 4 of the Notice.

ITEM NO. 5

On recommendation of the Audit Committee, Board has appointed M/s. M.K. Singhal & Co., (Firm's Regn. No. 00074) Cost Accountants, Modinagar, as Cost Auditors for the financial year 2024-25 to conduct the audit of Cost Accounts in respect of Sugar and Distillery units of the Company subject to ratification of remuneration by share holders.

Proposed remuneration for the financial year 2024-25 is mentioned below:

Name of the unit	Proposed remuneration (including all expenses)+ applicable Taxes to be paid to Cost Auditors.
(1)	(2)
Sugar	70,000.00
Distillery	70,000.00
Total	1,40,000.00

Pursuant to the provisions of Section 148(3) of the Companies Act, 2013 remuneration of Cost Accountants will be finally determined by the members of the Company in the Annual General Meeting.

Your directors recommend the resolution for your approval as an Ordinary Resolution.

None of the directors of the Company are concerned or interested in the Resolution as set out in item no. 5.

**By Order of the Board of Directors
for Modi Industries Limited**

Place : Modinagar-201204.(U.P.)

Dated: 17th August, 2024

(Shobit Nehra)

(ACS-31863)

Company Secretary, DGM (Legal)

Regd. Office: Modinagar - 201204. (U.P.)

Tel: 01232-243115, 9084786567

CIN - U15429UP1932PLC000469

Email : modiindustriestlimited@gmail.com

Website: www.modiindustries.net



Details of Director seeking appointment/re-appointment at this Annual General Meeting pursuant to Secretarial Standard-2 on General Meetings

Name of Director	Shri Vinay Kumar Modi	Shri Jayesh Modi	Shri Avinash Kumar Modi
Director Identification Number (DIN)	00274605	02849637	10629923
Date of Birth & Age	13/06/1943 81 Years	14/11/1991 33 Years	10/11/1964 59 years
Date of Appointment on the Board	29/04/1967	11/09/2020	15.06.2024
Qualifications	A First Class Bachelor of Technology (Chemical Engineering) from IIT, Kanpur (U.P.).	Bachelor of Business Administration.	Commerce Graduate from Punjab University
Expertise	He is a leading Industrialist and has vast experience of 57 years in various industries.	He is an Industrialist having experience of over 14 years and expertise in Packaging and Electrode business and also have rich experience in the field of Accounting, Finance and Taxation.	Rich experience in the area of finance, accounts, management, administration and operation of business.
Shareholding of Director in the Company as on 31.03.2024	25477	100	Nil
Relationship with other directors and KMPs of the Company	Shri Umesh Kumar Modi (Brother)	Shri Umesh Kumar Modi (father) Mrs. Kumkum Modi (Mother) Shri Abhishek Modi (Brother)	N.A.
Chairmanship/ Membership in the Committees of the Boards of other Companies in which he/ she is Director	In Board Committees of Modi Rubber Limited: 1.CSR Committee- Chairman 2.Stakeholders Relationship Committee-Chairman 3.Audit Committee- Member 4.Nomination & Remuneration Committee- Member	Nil	N.A.
Number of Board meetings attended during the financial year 2023-24 (i.e. from 01.04.2023 to 31.03.2024)	3	3	N.A.
Remuneration (including Sitting Fees and Commission) paid during the financial year 2023-24 (i.e. from 01.04.2023 to 31.03.2024)	Rs.30,000/-	Rs.30,000/-	N.A.



DIRECTORS' REPORT

To
The Members,

The Directors of your Company hereby present the 90th Annual Report together with the Audited Financial Statement of the Company along with Auditors' Report thereon for the financial year ended on 31st March, 2024. The working results of the year are summarized as under:



Umesh Kumar Modi
Chairman and Managing Director

Description	(Rs. in Lac)	
	For the year ended on	
	31.03.2024	31.03.2023
Sale of Products/Services and other Operating Revenue	1,76,990.81	1,39,180.34
Less: Excise Duty	62,111.15	43,379.16
Revenue from Operations	1,14,879.66	95,801.18
Other Income	774.41	1,389.63
Total Revenue	1,15,654.07	97,190.81
Profit before Depreciation, Finance Costs, Exceptional Items & Tax	5,476.10	4,733.24
Finance Costs	3,212.49	1,944.44
Depreciation	652.79	508.08
Profit before Exceptional Items & Tax	1,610.82	2,280.72
Exceptional items: (Net)	(1,357.60)	(1,170.92)
Tax Expenses	-	-
Profit for the year	253.22	1,109.80
Net Profit	253.22	1,109.80

Operations

Sale of products/services and other operating revenue of your Company for the year was Rs.1,769.91 Crore as against Rs. 1,391.80 Crore in the previous year. Operating Profit (EBITA) is Rs. 54.76 Crore, as against Operating Profit of Rs. 47.33 Crore in the previous year. Your Company's performance during the year improved over the previous year despite a challenging operating environment.

OPERATIONAL PERFORMANCE OF THE UNITS FOR THE YEAR UNDER REPORT:

SUGAR UNIT(Modi Sugar Mills, Modinagar):

(a) Unit Operations:

The operating performance of the Sugar Unit for crushing season 2023-24 as compared to the previous crushing Season 2022-23 is as under:

Sl. No.	Particulars	2023-24	2022-23
1.	Gross Working Days	183	191
2.	Cane Crushed (Lac/Qtls.)	86.35	92.37
3.	Manufacturing Losses (%)	1.902	1.918
4.	Steam Consumption (% Cane)	44.22	44.12
5.	Average Sugar Recovery (% Cane)	11.404	10.892

The cane crushing during the year under review was 93.86 lac qtls. as against 93.84 lac qtls. in the previous year. Sugar recovery during the year increased in comparison to previous year from 11.01% to 11.17%, Sugar & Molasses price realization substantially increased as compared to last year, resulting in Profit of Rs.1,492.92 Lac during the year under review.

(b) Cane development

In the business of sugar production, a sustainable (and growing) pipe line of cane availability makes it possible to enhance capacity utilization and enhance revenues. The following efforts have been made by the management in the area of sugarcane development;

- (1) the area under cultivation of high sugar varieties of cane was maintained 100% in the season 2023-24. In addition, the management focused on execution of both extensive and intensive cane development activities comprising of appropriate usage of insecticides, pesticides and optimum use of fertilizers. Consequently, the pol % in cane increased by 0.495 % i.e., from 12.796 % in crushing season 2022-23 to 13.291 % in crushing season 2023-24.
- (2) the management is further making efforts to maintain the area under high sugar variety cane upto 100% in the next season 2024-25 as well. The management is also making efforts to increase the supply of cane at factory gate from 53.10 % in crushing season 2023-24 to about 57.52% in crushing season 2024-25.
- (3) the company shortlisted one cane variety i.e., CO 15023 & CO0118 for resistance to red rot disease and a suitable replacement for CO0238 for variety balance. Further, the company suggested the farmers to use the chemicals and pesticides in order to enhance the soil fertility as well as yield of cane crop.

DISTILLERY UNIT (Modi Distillery, Modinagar):

(a) Unit Operation:

In the year under review, there was significant improvement of approximate 22.69% in production of Indian Made Foreign Liquor (IMFL) from 19,62,637 cases to 24,07,149 cases. Company has started commercial production of GNA from 1st March 2024 and during the year under review the unit has produced 8,46,835 BL Grain Neutral Alcohol (GNA).



(b) Distillery Expansion:

The Company undertook an expansion project by setting up a new Grain Distillery Plant. Currently, the unit is purchasing Grain Neutral Alcohol (GNA) from other distilleries and to secure the GNA requirements and also to maintain a good quality product, it has been decided that the Company should convert its existing 30 KLPD Molasses Distillery into 32 KLPD Grain Distillery which will be able to fulfill the demand of IMFL upto 2.4 million cases. The Company has spent Rs.35.00 Crores on the said expansion project and the commercial production of GNA has started on 1st March, 2024, and the Season was ended on 29 April,2024. During the said period the production of the GNA was 15,58,399 Bulk Ltrs.

Further, in order to achieve the increased demand of the product, the unit has started the work of expanding the capacity of Grain Distillery from 32 KLPD to 85 KLPD. In this regard the unit has applied before the Ministry of Environment, Forest and Climate Change for Environment Clearance (EC) for the expansion of the unit and the Ministry has issued the permission of Environment clearance to the unit on 26.06.2024. Further, the unit has applied before the Excise Department, Government of Uttar Pradesh for expansion of Excise License and the State Government has approved and granted permission to expand the capacity of the Distillery from 32 KLPD to 85 KLPD on 04.06.2024 subject to certain conditions. The final Excise License is awaited. The application filed with the Department for taking permission of the ground water extraction is still pending for approval.

ELECTRODE UNIT (Modi Arc Electrodes Company, Modinagar)

(1) Unit Operations and Expansion:

(a) Electrode Plant: The operating performance of the unit on job work basis for the financial year 2023-24 as compared to the previous financial year 2022-23 is as under:

Sl. No.	Particulars	2023-24	2022-23
1.	Gross Working days	303	303
2.	Production Electrode (MT)	2909.56	1920.05
3.	Production CO ₂ (MT)	4257.92	2848.79
4.	Flux Production (MT)	1.70	61.50

(b) Pickling Plant:

The operation of the pickling plant on job work basis for the financial year 2023-24 as compared to the previous financial year 2022-23 is as under:

Sl. No.	Particulars	2023-24	2022-23
1.	Gross Working days	303	160
2.	Production Pickling (MT)	2130.39	1100.16

(2) Expansion of CO₂ Wire Capacity:

Currently the Unit has manufacturing capacity of CO₂ wire of 400 M.T. per month. In view of the increasing demand of the CO₂ Wire, the management has decided to increase the capacity of CO₂ Wire upto 600 MT per month. The unit has spent an amount approx. Rs.3.80 Crores for the said expansion

STEEL UNIT (Real Estate Division)

The Ghaziabad Development Authority (GDA) has approved the Real Estate Project of the Company and the Company has paid a sum of Rs.3,06,27,874/- (Rupees three crore six lac twenty seven thousand eight hundred seventy four only) to the Authority towards the Project approval fees and the GDA has sanctioned the project on 29.05.2023 vide Permit No. Group Housing/ 04755/GDA/BP/21-22/0901/11042023. The said residential project named as “UMESH PARK PHASE-I”



will have 2 towers and every tower will have 10 floors with 4 flats at each floor (Total 114 Flats).

The Uttar Pradesh Real Estate Regulatory Authority (RERA) has also approved the project and issued a Registration No. UPRERAPRJ821313/02/ 2024 on 24th February, 2024. Further, the Company has awarded the civil contract work for construction of super structure to a reputed contractor and the civil work for super structure has already been started from June, 2024.

DIVIDEND:

Directors regret their inability, in view of the losses, to recommend any dividend for the year.

SHARE CAPITAL

The Paid-Up Share Capital as on March 31, 2024 was Rs. 3,71,66,240 (i.e. 33,09,214 Equity Shares of Rs. 10/- each and 40,741 Redeemable Cumulative Preference Shares of Rs. 100/- each).

FIXED DEPOSITS:

The outstanding principal amount Rs.60.86 Lac of public deposits and outstanding interest amounting to Rs.19.73 Lac due thereon up to the date of maturity were transferred to Investor Education Protection Fund on 7th May, 2018 vide Challan No. U27569086. Thus, there is no liability of the Company towards deposit holders as on date.

Now, the Deposit Holders can claim their refund directly from IEPF Authority by filing form IEPF-5 and following the prescribed procedure given under the Companies Act, 2013 and rule made thereunder.

DEBENTURES:

The Company had deposited an amount of Rs. 525.99 Lacs (the principal amount of unclaimed 98,907-12.5% Mortgage Debentures Rs. 197.81 Lacs plus Rs. 328.18 Lacs as interest upto the date of maturity) to IEPF account with Punjab National Bank, Parliament Street Branch, New Delhi on 30th April, 2022 vide challan No. X13283197. Thus there is no liability of the Company towards debentureholders as on date.

Now, the Debenture Holders can claim their refund directly from IEPF Authority by online filing form IEPF-5 for their debentures dues and following the prescribed procedure given under the Companies Act, 2013 and rule made thereunder.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, in respect of all units of the Company, {excluding Balance Sheet of Steel Unit - refer Note 27(4)}, it is hereby confirmed:

- (i) that in the preparation of the annual accounts for the year ended 31st March, 2024, the applicable accounting standards have been followed and wherever required proper explanations relating to material departures have been given;
- (ii) 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 as at 31st March, 2024 and of the Profit of the Company for that period;
- (iii) 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;
- (iv) that the annual accounts have been prepared on a going concern basis.
- (v) that the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operative effectively; and
- (vi) 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.

DIRECTORS:

The Board of Directors have appointed Shri Avinash Kumar Modi as Additional Director of the Company with effect from 15th June, 2024 liable to retire by rotation. In the same meeting Board of Directors have also designated him as Executive Director (Head Office) for a period of three years from 15th June, 2024 to 14th June, 2027 subject to the approval of shareholders.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Article 95 of the Company's Articles of Association of the Company, Shri Vinay Kumar Modi (DIN 00274605) and Shri Jayesh Modi (DIN 02849637) are liable to retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment. On recommendation of Nomination and Remuneration Committee, the Board has recommended the appointment of Shri Vinay Kumar Modi and Shri Jayesh Modi as Directors, liable to retire by rotation, to the shareholders of the Company. Particulars of Directors seeking appointment/re-appointment have been given in the explanatory statement annexed to the Notice for the Annual General Meeting.

None of the directors of the Company are disqualified under Section 164 (2) of the Companies Act, 2013. Your directors have made necessary disclosures as required under various provisions of the Companies Act, 2013.

KEY MANAGERIAL PERSONNEL (KMP):

In pursuance of the compliance of Section 203 of the Companies Act, 2013 the following persons, during the year under review, were designated as Whole Time Key Managerial Personnel of the Company: -

1. Shri Umesh Kumar Modi- Chairman and Managing Director
2. Shri Shobit Nehra – Company Secretary, DGM (Legal)

DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Director(s) have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

CORPORATE GOVERNANCE:

Corporate Governance Report for the year under review, prepared as per applicable provisions of the Companies Act, 2013, is attached as **Annexure 'A'**.

ANNUAL RETURN:

As per Companies Act, 2013 the Annual Return of the Company for the year will be available on the Website of the Company at www.modiindustries.net. The Annual Return for the year under review will be uploaded after filing the same with the Registrar of Companies, Uttar Pradesh, in due course.

MATERIAL CHANGES AND COMMITMENTS:

No material Changes or commitments affecting the financial position of the Company occurred between the end of the financial year to which the financial statements relate and the date of the report.

NUMBER OF BOARD MEETINGS:

Five meetings of the Board of Directors were held during the financial year 2023-24 i.e., 27th May, 2023, 19th August, 2023, 14th October, 2023, 8th November, 2023 and 04th March, 2024.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

As per Section 135 of the Companies Act, 2013, every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year shall constitute a Corporate Social Responsibility Committee.



The provisions of the CSR are applicable on the Company in the financial year under review. There is no liability of CSR contribution in view of accumulated losses as per Section 198 of the Companies Act, 2013.

WHISTLE BLOWER POLICY:

The Company has a Whistle Blower Policy, including vigil mechanism to report genuine concerns of grievances, providing direct access to the Chairman of the Audit Committee in appropriate and exceptional cases. The Whistle Blower Policy has been posted on the website of the Company (www.modiindustries.net).

INTERNAL FINANCIAL CONTROL:

Your Company has in place an adequate internal control system in order to ensure that all transactions are authorized, recorded and reported correctly and that all assets are protected against the perils of unauthorized use or disposition. Towards enhancing the efficiency of internal controls, services of consultants are hired wherever necessary, and their suggestions are reviewed and implemented. Your Company has in place an Internal Audit System, whereby an independent professionals firm of Internal Auditors conducts regular audit across the Company and their scope and findings are reviewed by the Management and Audit Committee on a regular basis.

The Audit Committee of the Board also meets periodically to review the internal controls, internal audit findings, action taken reports and to advise the management on corrective policies, if any.

ANNUAL EVALUATION:

The Board is in conformity with the Performance Evaluation Report submitted by the Nomination & Remuneration Committee, as per Performance Evaluation Policy of the Company.

NOMINATION & REMUNERATION POLICY:

Nomination & Remuneration Policy of the Company governs Directors' appointment including criteria for determining their qualifications, positive attributes, their independence and remuneration for the Directors, KMPs and other employees. The Nomination and Remuneration Policy is uploaded on Company's website www.modiindustries.net.

RISK MANAGEMENT POLICY:

The Company has taken out various policies to cover risk against Plant & Machinery, Building, Godowns, Computers, Vehicles, Cash in hand/in transit and to reduce the financial risk etc. Various units of the Company also identify the elements of risk & requirement of policies, if any, related to their units and submit report periodically to the Board.

PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS:

Details of loan(s), guarantee and investments are given in the notes to Financial Statements.

RELATED PARTY DISCLOSURE:

The related party transactions that were entered into during the financial year were generally on an arm's length basis and in the ordinary course of business and complied the provisions of Section 188 of the Companies Act, 2013. These transactions were generally in the nature of ordinary course of business as per very old set up and structure of the Company and are continuation of old transactions viz lease rents and sale, purchase of the products in the normal course of business as being done in the previous years. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All related party transactions are placed before the Audit Committee and Board of Directors for their approval periodically.

Your directors draw attention of members to Note No. 27(33) to the financial statements which set out related party disclosures.



PERSONNEL:

The information required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is applicable only on listed companies. Your Company is an unlisted Company now hence the above said rule is not applicable, therefore, details under above said rule are not being given.

Pursuant to MCA Notification G.S.R. 646(E) dated 30th June, 2016 Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, list of top ten employees in terms of remuneration drawn is attached as Annexure "B" which includes an employee who was in receipt of remuneration more than of Rupees One Crore and Two Lakh throughout the year under review. None of the employee was in receipt of Rupees Eight Lakh and Fifty Thousand per month for the part of the year. Further, none of the employees is in receipt of remuneration which is in excess of the remuneration drawn by Managing Director or Whole-time Director or any manager of the Company and holds by himself or along with his/ her spouse and dependent children, not less than 2% of equity shares of the Company.

AUDITORS AND THEIR REPORTS:

STATUTORY AUDITORS:

M/s. P.R. Mehra & Co., Chartered Accountants, (FRN 000051N), in Annual General Meeting of the Company held on 20th December, 2022, were appointed as Statutory Auditors of the Company for five years starting from financial year 2022-23 onwards i.e. they would hold office upto the conclusion of the Annual General Meeting of the Company for the financial year 2026-27.

With reference to the qualifications contained in the Auditors Report, the Directors wish to state that the Notes referred to by the auditors in their report are self-explanatory and hence do not call for any further comments.

COST AUDITORS:

As per the requirement of the Central Government and pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company has to get audit of cost records relating to Sugar and Distillery Units done for the financial year 2024-25.

The Board of Directors, on the recommendation of Audit Committee, have appointed M/s. M.K. Singhal & Co., Cost Accountants, (Firm's Regn. No. 00074) of Modinagar, as Cost Auditors to conduct the audit of Cost Accounts maintained by Sugar and Distillery units of the Company at a total remuneration of Rs.1,40,000/- (including all expenses) + applicable Taxes payable to them for the financial year 2024-25. Members' approval for the remuneration payable to the Cost Auditors has to be obtained by an Ordinary Resolution.

SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules made thereunder, the Company had appointed M/s. A.N. Jaiswal & Co., Practicing Company Secretaries (ACS No. 19000, CP No. 14629) of New Delhi, as Secretarial Auditors of the Company. They have submitted their Secretarial Audit Report, for the Financial Year 2023-24, which is attached herewith as Annexure-'C'.

With reference to the observations contained in the Secretarial Auditors Report, the Directors wish to state that the Notes on Accounts are self-explanatory and hence do not call for any further comments.

For the Financial Year 2024-25, Company has appointed M/s A. N. Jaiswal & Co., Practicing Company Secretaries (ACS No. 19000, CP No. 14629) of New Delhi, as Secretarial Auditors of the Company

INTERNAL AUDITORS:

Pursuant to Section 138 of the Companies Act, 2013, Board has appointed Internal Auditors namely M/s. P.D. Ramanand & Co., Chartered Accountants, (Firm Regn. No. 001104C) of Modinagar (U.P.) for Sugar and Distillery units of the Company for the financial year 2024-25 as recommended by the Audit Committee of the Company.



CONSERVATION OF ENERGY:

Since long no modernization of Plant & Machinery of the Units of the Company could be undertaken due to huge losses in the Company and non-availability of funds from Banks/Financial Institutions. However, the Management is making all possible efforts for the conservation of energy.

Company has implemented energy conservation measures for saving of quantitative consumption of power & fuel etc. Company has replaced some old lighting system with LED etc., adoption of more star rated electronic equipments, timely repairing & maintenance of electronic items.

During the year under review total expenses on power and fuel has been Rs. 483.71 Lac in comparison to previous year Rs. 423.11 Lac.

TECHNOLOGY ABSORPTION:

In the case of the three operating units, namely; Sugar, Distillery and Electrode there is no imported technology involved and there has not been any change in technology.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Your Company did not earn any Foreign Exchange during the year (previous year Rs. Nil) while Foreign Exchange outgo during the year amounted to Rs. 2,091.83 Lac (previous year Rs. 2,117.49 Lac).

POLLUTION CONTROL:

Relevant and necessary effluent treatment measures for control of water, air and environmental pollution are in place and steps have been taken to further strengthen and consolidate pollution control measures.

LABOUR RELATIONS:

The labour and management relations generally remained harmonious.

GENERAL:

The Company was declared as a 'Sick Company' and reference was pending adjudication before the Ld. AAIFR / BIFR. While the revival scheme of MIL was being considered by Ld. AAIFR, the Govt. of India vide notification bearing no.: S.O. 3568 (E) dated 25th November, 2016 repealed SICA with effect from 1st day of December, 2016 and all the proceedings pending under the SICA (including the proceedings qua MIL) stood abated.

In view of this, no impact is foreseen on the going concern status of the Company and the Company's operations in future.

No complaint during the year under review was received by the Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has not accepted any public deposits during the financial year under review.

COMPLIANCE WITH SECRETARIAL STANDARD

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India as approved by Central Government as required under Section 118(10) of the companies Act, 2013.

CAUTIONARY STATEMENT:

The Director's report contains forward looking approach within applicable securities laws and regulations. The actual results inter-alia may differ materially from those expressed or implied, depending upon changes in global and Indian demand-supply conditions as well as changes in government regulations, tax regimes, economic and market developments, movements.



ACKNOWLEDGMENT:

The Directors wish to thank the Central Government, Government of Uttar Pradesh, Financial Institutions and the Company's Bankers for all the help and encouragement they extended to the Company. Your directors gratefully acknowledge the continued trust and confidence; they have placed in the Company. The Directors also wish to place on record their deep appreciation for the services rendered by the officers, staff and workers of the Company at all levels and for their dedication and loyalty.

**For & on behalf of the Board
For Modi Industries Limited**

Place: Modinagar.

Dated: 17th August, 2024

**Umesh Kumar Modi
Chairman and Managing Director**



ANNEXURE-'A' TO DIRECTORS' REPORT

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE AS REQUIRED AS PER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013:

1. COMPANY'S PHILOSOPHY

Modi Industries Limited ("MIL"), firmly believes in effective Corporate Governance practices and follow all the applicable laws in true and letter spirit. Corporate Governance is an ethically driven process that constitute the strong foundation on which successful commercial enterprise are built and enhancing the organization wealth generating capacity. The company also has a strong believe in fair, transparent and ethical governance practices

The Company's corporate governance philosophy is based on the following broad principles:

- Comply all applicable Laws in true and letter Sprit;
- Independence and bias free Board of Directors;
- Simple and transparent corporate structure for enhancing overall shareholder value;
- Delegation of decision-making authority with clearly defined roles, responsibilities and accountability.

2. BOARD OF DIRECTORS

(a) COMPOSITION OF BOARD:

As on 31st March, 2024, the Company has 10 Directors. Out of which one is Managing Director, five Non-executive and Non-Independent Directors, Two Non-executive and Independent Directors and two Directors nominated by M/s. SBEC Sugar Limited. The Independent Directors have confirmed that they satisfy the 'criteria of independence' as stipulated in Sec 149(7) of the Companies Act, 2013, and other applicable provisions of the Act.

The Company did not have any material pecuniary relation or transaction with non-executive directors/ Nominee directors during the year under review.

(b) BOARD/ SHAREHOLDERS' MEETINGS:

Pursuant to the requirement of Section 173 of the Companies Act, 2013, five Board meetings were held during the financial year under review on 27.05.2023, 19.08.2023, 14.10.2023, 08.11.2023 and 04.03.2024. The maximum gap between the two Board meetings did not exceed 120 days. Necessary quorum was present for all meetings. The attendance at the said Board meetings and at the last 89th Annual General Meeting held on 16.12.2023 and also number of other directorships are given herein below:

Name	Category	No. of Board meetings Attended	Attendance at previous AGM	No. of Directorship(s) in other Indian Public Limited Companies
Shri Umesh Kumar Modi	MD	5	Yes	5
Shri Vinay Kumar Modi	NED	3	No	2
Smt. Kumkum Modi	NED	3	No	3
Shri Rakesh Kumar Modi	NED	5	Yes	-
Shri Abhishek Modi	NED	5	Yes	4
Shri Jayesh Modi	NED	3	No	4
Shri Anand Parkash Modi	NEID	5	Yes	-
Shri Jagdish Chander Chawla	NEID	5	Yes	2
Shri Vivek Singh	ND	4	No	-
Shri Rahul Chaudhary	ND	4	No	-

MD - Managing Director, **NED** - Non-Executive Director, **NEID** - Non-Executive Independent Director, **ND** - Nominee Director



(c) **BOARD PROCEDURE:**

The statutory and material information is placed before the Board with a view to enable it to discharge efficiently its responsibilities in formulating the strategies and policies for the growth of the Company. The agenda and other relevant papers are circulated prior to the scheduled dates of the meetings. The day to day affairs of the Company are looked by the Chairman and Managing Director of the Company. Opinion and advice of Non-Executive Directors/Independent Directors are considered valuable guidance. For specific matters, the various Committees of the Directors deliberate in detail, analyze situations, information and firm up views and advise the Board on decision making and follow up actions as may be considered appropriate.

(d) **RELATIONSHIP AMONGST DIRECTORS:**

As on 31st March, 2024, relationship amongst directors is that Shri Vinay Kumar Modi, Non-Executive Director and Shri Umesh Kumar Modi, Chairman and Managing Director are real brothers. Shri Umesh Kumar Modi, Chairman and Managing Director and Smt. Kumkum Modi, Non-Executive Director are husband and wife and Shri Abhishek Modi and Shri Jayesh Modi, Non-Executive Directors, are their sons.

3. AUDIT COMMITTEE:

(a) **Terms of Reference**

The Audit Committee acts as a link between the Statutory and the Internal Auditors and Board of Directors. The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting process, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's Statutory and Internal Audit Activities. The powers, roles, delegation, responsibilities, and terms of reference of the Audit Committee are prescribed under Section 177 of the Companies Act, 2013.

(b) **Composition:**

Pursuant to Section 177(2) of the Companies Act, 2013, the Committee should consist of minimum three Directors as its members out of which majority of Directors shall be Independent Directors.

The Audit Committee of the Company, as on 31st March, 2024, consists of three members as mentioned below:

S. No.	Name	Designation
1.	Shri Rakesh Kumar Modi, Non-Executive Director	Chairman
2.	Shri Anand Prakash Modi, Independent Director	Member
3.	Shri Jagdish Chander Chawla, Independent Director	Member

During the year under review, five Audit Committee Meetings were held on 27.05.2023, 19.08.2023, 14.10.2023, 08.11.2023 and 04.03.2024. The attendance at the said Audit Committee Meetings is given herein below:

S. No.	Name of the Member	Category	No. of Audit Committee meetings attended
1.	Shri Rakesh Kumar Modi	NED	5
2.	Shri Anand Parkash Modi	NEID	5
3.	Shri Jagdish Chander Chawla	NEID	4

NED: Non- Executive Director, **NEID:** Non-Executive Independent Director

4. NOMINATION AND REMUNERATION COMMITTEE AND REMUNERATION OF DIRECTORS:

(a) **Terms of Reference**

The Company has a Board Committee namely “Nomination and Remuneration Committee” as required under Section 178 (1) of the Companies Act, 2013.

The Nomination and Remuneration Committee looks terms and conditions of appointment, remuneration and related matters of Managerial Personnel such as Whole Time Directors & Directors etc. Remuneration Committee recommends the remuneration for Executive Directors to the Board of Directors for its approval and such remuneration is also subject to the approval of shareholders and such other approvals as may be required. In its recommendations, the remuneration committee considers parameters like performance and contribution, practices and norms and followed by companies of similar size and industry standards.

Further, pursuant to Section 178(1) of the Companies Act, 2013, the Committee should consist of three or more non-executive Directors as its members out of which not less than one half shall be Independent Directors

The Nomination and Remuneration Committee of the Company, as on 31st March, 2024 consists of three members as mentioned below:

S. No.	Name	Designation
1.	Shri Rakesh Kumar Modi, Non-executive Director	Chairman
2.	Shri Anand Prakash Modi, Independent Director	Member
3.	Shri Jagdish Chander Chawla, Independent Director	Member

The Company does not pay any remuneration to the non-executive directors/nominee directors except payment of Sitting Fees for attending Board/ Committee meetings. During the year under review the meeting of Nomination and Remuneration Committee was held on 08.11.2023 which was attended by all its three Members mentioned above.

Nomination & Remuneration Policy of the Company is available on Company’s Website www.modiindustries.net/policies-of-the-company.

Details of remuneration/sitting fees paid to the directors during the year under review are given below:

(a) **Executive Director:**

No remuneration has been paid to Managing Director during the year under review.

(b) **Non-Executive Directors:**

Name	Sitting Fee* (Rs. in thousands)	Shares held	
		Equity	Preference
Shri Vinay Kumar Modi	30.00	25477	8
Shri Rakesh Kumar Modi	70.00	48901	10
Smt. Kumkum Modi	30.00	16526	-
Shri Abhishek Modi	50.00	100	-
Shri Jayesh Modi	30.00	100	-
Shri Anand Parkash Modi	70.00	100	-
Shri Jagdish Chander Chawla	66.00	100	-
Shri Vivek Singh (Nominee Director)	40.00	-	-
Shri Rahul Chaudhary (Nominee director)	40.00	-	-

*excluding GST under reverse charge



Performance Evaluation of Independent Directors

The details of the performance evaluation of Independent Directors are provided in the “Directors’ Report” forming part of this Annual Report

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

(a) Terms of Reference

The Company has a Board Committee namely “Stakeholder Relationship Committee” as required under the provisions of Section 178 (1) of the Companies Act, 2013 to look into various issues relating to delay in transfers of shares, non-receipt of balance sheet, non-receipt of declared dividends/share certificates, dematerialization of shares, replacement of lost/stolen/ mutilated share certificates, etc.

(b) The Composition of Stakeholders Relationship Committee and details of the Meetings of the Committee held and attended during the financial year 2023-24

The Stakeholder and Relationship Committee of the Company, as on 31st March, 2024, consists of four Members as mentioned below:

S. No.	Name	Designation
1.	Shri Rakesh Kumar Modi	Chairman
2.	Shri Umesh Kumar Modi	Member
3.	Shri Anand Prakash Modi	Member
4.	Shri Jagdish Chander Chawla	Member

During the year under review four meetings of Stakeholders Relationship Committee were held on 27.05.2023, 19.08.2023, 08.11.2023 and 04.03.2024. The attendance at the said Stakeholders Relationship Committee meetings is given here-in-below:

S. No.	Name of the Member	Category	No. of Stakeholders Relationship Committee meetings attended
1.	Shri Umesh Kumar Modi	MD	3
2.	Shri Rakesh Kumar Modi	NED	4
3.	Shri Anand Parkash Modi	NEID	4
4.	Shri Jagdish Chander Chawla	NEID	3

MD: Managing Director, **NED:** Non- Executive Director, **NEID:** Non-Executive Independent Director

Letters/Communication received directly from Debenture holders / Investors, or through SEBI and other authorities during the year under review, have been replied by the company and none remained outstanding at the end of the year under review. The status of Shareholders/ Debenture holders/ Investors complaints received during the year under review were reported to the Stakeholders Relationship Committee by the Company Secretary.

6. COMMITTEE OF DIRECTORS:

The Committee of Director consists of two members i.e., Shri Umesh Kumar Modi, Chairman and Managing Director and Shri Rakesh Kumar Modi, Non-Executive Director as on 31.03.2024.

During the year under review no meeting of Committee of Directors was held.

7. MEETING OF INDEPENDENT DIRECTORS:

A meeting of the Independent Directors without presence of Executive Director of Management was held on 08.11.2023 in the financial year 2023-24 to mainly review the performance of non-independent directors of the Board as a whole and also to assess the quality, quantity and timeliness of flow of information between company management and the Board.

8. VIGIL MECHANISM

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, the Company has a Whistle-Blower Policy and Vigil Mechanism for Directors and employees to report genuine concerns regarding unethical behavior, actual or suspected fraud or violation. The said mechanism also provides for adequate safeguards against victimization of the persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. No employee of the Company was denied access to the Audit Committee. The said whistle blower policy and vigil mechanism has been hosted on the website of the Company at: <http://www.modiindustries.net/policies-of-the-company>.

No complaints were received under this policy during the year. No person has been denied to excess the Chairman of the Audit Committee.

9. GENERAL BODY MEETINGS:

Location, Time and date of the last three Annual General Meetings are given below:

Financial year	Date	Time	Location of the meeting
2022-23	16.12.2023	03:00 P.M.	Auditorium, Dayawati Modi Public School, Modinagar 201204, Distt. Ghaziabad (U.P.)
2021-22	20.12.2022	04:00 P.M.	Auditorium, Dayawati Modi Public School, Modinagar 201204, Distt. Ghaziabad (U.P.)
2020-21	15.12.2021	12:30 P.M.	Auditorium, Dayawati Modi Public School, Modinagar 201204, Distt. Ghaziabad (U.P.)

No postal ballot was conducted during the Financial Year 2023-24. There is no immediate proposal for passing any resolution through Postal Ballot. None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

10. DISCLOSURES:

There were no transactions of the company of material significance with its directors or the management or relatives during the year which may have potential conflict with interest of the company. There was no material non-compliance during the last three years by the company on any matters related to capital markets. Consequently, neither any penalties were imposed nor any strictures order passed on the company by Stock Exchanges, SEBI or any Statutory Authority. The company has generally complied with almost all the mandatory requirements of the Companies Act, 2013. As on date of Report, status of the Company is of an Unlisted Company.

11. MEANS OF COMMUNICATION:

Annual Report of the Company are being uploaded on the Company's website www.modiindustries.net and also other necessary information/ notice etc. is published in news paper, wherever required

12. GENERAL SHAREHOLDERS' INFORMATION :

(a) Annual General Meeting:

Date : 30th September, 2024.

Time : 3:30 P.M.

Venue : Auditorium, Dayawati Modi Public School Modinagar, Distt. Ghaziabad (U.P.)

(b) Financial Year:

The financial year covers the period from April 01, 2023 to March 31, 2024 (Both days inclusive).



(c) **Date of Book Closure:**

24th September, 2024 to 30th September, 2024 (both days inclusive).

(d) **Dividend payment date:**

The Directors have not recommended any dividend on shares in view of accumulated losses.

(e) **Status of the Company:**

As on the date of Report, the status of the Company is of an unlisted Company.

(f) **Registrar and Transfer Agents (RTA):**

M/s. Mas Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase II, New Delhi 110020 (Contact No. 011-26387281-82-83) have been appointed as Registrar and Share Transfer Agent (RTA) of the Company.

(g) **Share Transfer System:**

As on date of Report all transfer/transmission of equity shares and demat of equity shares related work is being handled by RTA of the Company, M/s. Mas Services Limited, T-34, 2nd Floor, Okhla Industrial Area, Phase II, New Delhi 110020. All transfers, transmissions of shares were processed and registered within the stipulated time. As on 31st March, 2024 no shares were lying pending for transfer.

(h) **Distribution of Shareholding as on 31.03.2024:**

Distribution of Shareholding	Number of		No. of Shareholders		% of Shareholding	
	Equity shares of Rs. 10 each	Pref. shares of Rs. 100 each	Equity shares	Pref. shares	Equity shares	Pref. shares
Upto 500	676996	248	8899	20	20.46	0.61
501 - 1000	91594	-	124	-	2.77	-
1001 - 2000	101688	-	68	-	3.07	-
2001 - 3000	38800	-	15	-	1.17	-
3001 – 4000	16280	3520	5	1	0.49	8.64
4001 – 5000	18747	9005	4	2	0.57	22.10
5001 – 10000	79669	14344	11	2	2.41	35.21
10001 and above	2285440	13624	43	1	69.06	33.44
Total	3309214	40741	9169*	26	100.00	100.00

* Exclude 5 shareholders having same Permanent Account Number (PAN).

(i) **Dematerialization of Shares and Liquidity:**

Pursuant to Notification of Ministry of Corporate Affairs, Government of India, New Delhi, dated 10th September, 2018, the persons, who intend to transfer of securities of unlisted Company, shall get such securities dematerialized before the transfer. Modi Industries Limited (MIL) as on date is an unlisted Company. Dematerialization of equity shares related work of the Company is being handled by RTA of the Company. ISIN of fully paid-up equity shares of the Company (MIL) is INE573D01012. Upto the end of the year under review 1283421 Equity shares out of 3309214 equity shares of the Company, 38.78% of issued equity share capital of the Company, were dematerialized.



(j) **Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.**

During the year from April 1, 2023 to March 31, 2024 the Company has not received any complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. At the end of March 31, 2024, no complaint was pending for redressal.

(k) **Outstanding GDRs/ADRs/Warrants or any Convertible instruments, Conversion date and likely impact on Equity :**

The Company has no GDRs/ADRs/or any convertible instrument.

(l) **Plant Location:**

At Modinagar, District Ghaziabad (U.P.) 201204.

(m) **Address for Correspondence:**

Modi Industries Limited

Registered Office,P.O. Modinagar,District Ghaziabad (U.P.) Pin 201204.



ANNEXURE 'B' TO THE DIRECTORS' REPORT
PARTICULARS OF EMPLOYEES IN TERMS OF RULE 5(2) AND (3) OF COMPANIES (APPOINTMENT AND REMUNERATION) RULES, 2014
(FORMING PART OF THE DIRECTORS' REPORT)

(A) DETAILS OF TOP TEN EMPLOYEES OF THE COMPANY IN TERMS OF REMUNERATION PAID DURING FINANCIAL YEAR 2023-24

Sl. No.	Name	Designation	Nature of employment whether contractual or otherwise	Qualification	Experience (Years)	Date of commencement of employment	Total Remuneration (Rs.)	Age (Years)	Last employment before joining the Company	% of equity shares of the company held by the employee	Whether employee is a relative of any director or manager of the Co.
1	Mr. Pallav Soin	Vice President-Sales & Marketing	Permanent	MBA-Marketing & Sales	25	01-05-2012	1,17,63,384	51	Modi Illva India Pvt. Ltd.	-	-
2	Mr. N.P. Bansal	Chief Executive	Permanent	C.A.	46	01-12-1977	42,90,535	74		-	-
3	Mr. Akshay Satyanarayan Nagde	Assistant Vice President	Permanent	MBA Marketing	22	10-01-2023	42,30,000	46	Globus Spirits Limited	-	-
4	Mr. Bhupinder Aggarwal	Deputy General Manager	Permanent	MBA-Marketing & Sales	26	01-05-2012	38,09,892	50	Modi Illva India Pvt. Ltd.	-	-
5	Mr. Rajeev Gupta	General Manager Plant	Permanent	M.Sc. ALC (Tech)	29	02-12-2019	34,49,035	52	Piecadilly Agro Industries Limited	-	-
6	Mr. Shailaditya Brahma	Asstt.General Manager (Instt. Sales)	Permanent	MBA-Marketing	32	01-06-2013	31,26,540	57	SBEC Sugar Limited	-	-
7	Mr. Pankaj Prabhakar	General Manager (Project)	Permanent	B.Tech	11	01-04-2021	28,50,979	33	Mawana Sugar Ltd.	-	-
8	Mr. Gaurav Khurana	Head Quality & System	Permanent	B.Tech	16	14-08-2008	28,20,000	42	-	-	-
9	Mr. Ved Pal Singh Malik	Vice President	Permanent	B.Sc. Agriculture	43	08-06-2017	26,21,604	67	Mansoorpur Sugar Mills, Mansoorpur	-	-
10	Mr. Yogendra Pal Singh	Plant Head	Permanent	B.Sc.	30	01-08-2019	25,38,823	55	Modi Hitech India Ltd.	-	-

(B) Persons employed the financial year under review and were in receipt of remuneration for the year aggregating of not less than Rs. 1,02,00,000/-:

ANNEXURE 'B' TO THE DIRECTORS' REPORT

PARTICULARS OF EMPLOYEES IN TERMS OF RULE 5(2) AND (3) OF COMPANIES (APPOINTMENT AND REMUNERATION) RULES, 2014
(FORMING PART OF THE DIRECTORS' REPORT)

(A) DETAILS OF TOP TEN EMPLOYEES OF THE COMPANY IN TERMS OF REMUNERATION PAID DURING FINANCIAL YEAR 2023-24

Sl. No.	Name	Designation	Nature of employment whether contractual or otherwise	Qualification	Experience (Years)	Date of commencement of employment	Total Remuneration (Rs.)	Age (Years)	Last employment before joining the Company	% of equity shares of the company held by the employee	Whether employee is a relative of any director or manager of the Co.
1	Mr. Pallav Soin	Vice President-Sales & Marketing	Permanent	MBA-Marketing & Sales	25	01-05-2012	1,17,63,384	51	Modi Illva India Pvt. Ltd.	-	-





ANNEXURE-‘C’ TO THE DIRECTORS’ REPORT

SECRETARIAL AUDIT REPORT (FORM NO. MR. 3)

FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2024

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

To,
The Members,
Modi Industries Limited,
Modinagar - 201204

UDIN- A019000F000991917

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Modi Industries Limited (CIN- U15429UP1932PLC000469) (hereinafter called the Company or **MIL**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 (Audit Period) generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:-

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; (to the extent as applicable to the Company during the Audit Period);
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings; (to the extent as applicable to the Company during the Audit Period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (not applicable to the Company during the Audit Period);
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (not applicable to the Company during the Audit Period);
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (not applicable to the Company during the Audit Period);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period);

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (not applicable to the Company during the Audit Period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the clients; (Not applicable to the Company during the audit period);
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period);
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. (Not applicable to the Company during the Audit Period), and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Regulations) Regulations, 2015. (Not applicable to the Company during the Audit Period).
- (vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing/trading companies, the Management has specifically identified and confirmed the following laws as being specifically applicable to the company and its industrial units duly complied with:
- 1) Factories Act, 1948.
 - 2) The Payment of Wages Act, 1936.
 - 3) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
 - 4) All Labour laws and such Other incidental laws related to Labour and employees appointed by the Company either on its payroll or on contractual basis related to wages, gratuity, provident fund, ESIC, compensation, welfare etc.;
 - 5) Air (Prevention and Control of Pollution) Act, 1981 and the rules and standards made thereunder.
 - 6) Water (Prevention and Control of Pollution) Act, 1974 and Water (Prevention and Control of Pollution) Rules, 1975.
 - 7) Environment Protection Act, 1986 and the rules, notifications issued thereunder.
 - 8) State Excise Act.
 - 9) Industries (Development & Regulation) Act, 1951;
 - 10) Income Tax Act, 1961
 - 11) Finance Act, 1994 (Service Tax).
 - 12) Act, Rules and regulations made under GST Laws (CGST, SGST & IGST)
 - 13) State Laws governing Sales Tax/VAT. (applicable till 30th June, 2017)
 - 14) Food Safety And Standards Act, 2006.
 - 15) The U.P. Sugarcane (Regulation of Supply & Purchase) Act, 1953
 - 16) The Essential Commodities Act, 1955;
 - 17) The Sugar Cess Act, 1982 and the Rules made thereunder;
 - 18) The Sugar Development Fund Act, 1982 and the Rules made thereunder;
 - 19) The Sugar (Control) Order, 1966;
 - 20) The Legal Metrology Act, 2009
 - 21) Indian Electricity Act, 2003
 - 22) Drugs & Cosmetic, 1940 & Rules;
 - 23) Indian Boiler Act, 1923;
 - 24) Acts as prescribed under Shop and Establishment Act of various local authorities;
 - 25) Acts as prescribed by respective states and local authorities etc.



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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India with respect to Board Meetings and general meetings and adopted as per Section 205 of Companies Act, 2013.
- (ii) The Company was listed into U.P. Stock Exchange Limited, (UPSE) Kanpur and Delhi Stock Exchange Limited, (DSE) New Delhi. The SEBI had issued exit order of UPSE on 09th June, 2015 and also SEBI had de-recognized the DSE on 19th November, 2014 and issued Exit Order on 23rd January, 2017.

SEBI vide its circular No. CIR/MRD/DSA/5/2015 Dated 17th April, 2015 provided that the exclusively listed Companies (ELCs) which fail to obtain listing in any other nationwide stock exchange will cease to be a listed Company and will be moved to the Dissemination Board (DB) by the existing stock exchange.

In this respect of delisting, the Company has duly complied with SEBI Circular No. SEBI/HO/MRD/DSA/CIR/P/2016/110 dated 10th October, 2016 and reasonably followed all the procedures, taken necessary steps, made due disclosures and submitted Reports and records to the Appropriate Authority which was in company's case it was NSE.

The NSE has removed the name of the company from the "List of Companies removed from Dissemination Board" and now the Company has turned into an unlisted public company as displayed on NSE website vide its circular no. NSE/CML/35701 dated 1st September, 2017.

Having become an unlisted public company, the Board of Directors have discontinued the compliances of procedures and disclosures as applicable to the listed companies.

- (iii) As regards compliance of other general laws, Competition Law, Environmental Laws and Financial Laws like Direct & Indirect Tax Laws and Customs Act, Intellectual Properties Laws (Patents, Copyright and Trademarks) and other laws as mentioned herein above etc. which have impact on/applicable to the Company or its Industrial Units, we have relied upon the representation given by the management.

During the period under review and as per the representations and clarifications made, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except as specifically pointed out by the Management into the 'Notes to Accounts' forming part of Financial Statements as well as Directors' Report of Financial Year 2023-24.

- (iv) There were several management disputes among Mr. Umesh Kumar Modi, Chairman and Managing Director and Mr. Mahendra Kumar Modi erstwhile Managing Director and the Company had incurred huge accumulated losses coupled with huge outstanding liabilities towards various creditors (including Banks & Financial institutions).

Further, a settlement had been arrived between Mr. Umesh Kumar Modi and Mr. Mahendra Kumar Modi with the assistance, support and intervention from the State Government of Uttar Pradesh, which played an important role in the settlement of inter-se dispute amongst Mr. Umesh Kumar Modi and Mr. Mahendra Kumar Modi. Post the settlement, Mr. Mahendra Kumar Modi had resigned from the post of Managing Director/Director of the Company on 09th September, 2020 and transferred all the shares held by him, his family members and group companies in favour of Mr. Umesh Kumar Modi.

Mr. Umesh Kumar Modi has been managing the affairs of the Company for the last four decades. Additionally, for the last few years, Mr. Umesh Kumar Modi has by himself ensured the survival of the Company exclusively as the other six units of the company which were under the control of Mr. Mahendra Kumar Modi have been permanently closed down.

Upon the resignation of Mr. Mahendra Kumar Modi, the Board by virtue of a circular resolution dated 09th September, 2020, had made Mr. Umesh Kumar Modi incharge of affairs of all the nine (9) units (including the management and control of the six (6) units which were previously under the control and management of Mr. Mahendra Kumar Modi) as well as the corporate office of the Company which was subsequently confirmed by the Board in its meeting dated 05th October, 2020. The Board also appointed him as Chairman of the Company in its meeting dated 05th October, 2020.

Additionally, the Company also appointed few Additional Directors as well as Independent Directors on the board of the Company by virtue of circular resolutions dated 09th September, 2020 and 11th September, 2020 which were subsequently confirmed by the Board in its meeting dated 05th October, 2020.

The appointment of Additional / New Directors as well as re-appointment of Mr. Umesh Kumar Modi as the sole Chairman and Managing Director of the Company was also approved by the Board and the members of the Company in its Annual General Meeting (AGM) held on dated 05th December, 2020.

The Central Government has also approved his appointment as Managing Director of the Company for a period of 5 years from the date of vacation / modification of the status quo order or 1/12/2020 under section 196 read with Clause (e) of Part I of Schedule V of the Companies Act, 2013 subject to the outcome of I.A. No. 4634/2021 which was pending before Hon'ble Supreme Court of India for withdrawal of SLP No. (C) 23095-97/2010.

In this respect, the Hon'ble Supreme Court of India had allowed the withdrawal of SLP No. (C) 23095-97/2010 vide its Order dated 6th September, 2022 given in matter SLP (I.A. No. 4634/2021).

- (v) The following new Directors/Independent Directors had been duly inducted on the Board.

S. No.	Name of Directors	DIN	Designation	Date of Appointment
1	Mrs. Kumkum Modi	00522904	Director	11/09/2020
2	Mr. Jayesh Modi	02849637	Director	11/09/2020
3	Mr. Anand Parkash Modi	08865462	Independent Director	09/09/2020
4	Mr. Jagdish Chander Chawla	05316202	Independent Director	09/09/2020
5	Mr. Vivek Singh	02966881	Nominee Director	05/10/2020
6	Mr. Rahul Chaudhary	08905066	Nominee Director	05/10/2020
7	Mr. Avinash Kumar Modi	10629923	Additional Director	15/06/2024

In view of the above, the Company had duly complied with the provisions relating with appointment of Independent & Women Directors. Therefore, the composition of Board of Directors and various Board Committees were in due compliance of the provisions of the Companies Act, 2013.

- (vi) After, the settlement made between Mr. Umesh Kumar Modi and Mr. Mahendra Kumar Modi, the Company had initiated the process of one-time settlement (OTS) of its long-standing dues of several Banks and Financial Institutions. The Company had successfully settled and paid off all the outstanding dues of Debentureholders of the Company, Financial Institutions and Banks (except erstwhile Allahabad Bank now merged with Indian Bank).

However, during the financial year 2024-25, the outstanding dues of erstwhile Allahabad Bank now merged with Indian Bank, have been settled and paid off under the one-time settlement (OTS) scheme.

These settlements with Financial Institutions and Banks had been resulted into release of the original title deeds of the Company which were deposited with Financial Institutions/Banks.

- (vii) Adequate notice was given to all directors intimating schedule of the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions at Board Meetings and Committee Meetings were carried out unanimously in general and duly recorded in the minutes of the meetings of Board of Directors or Committees thereof, as the case may be.



We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company had several ongoing events as described below and had bearing material effects on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

1. Since the net worth of Modi Industries Limited ('MIL') had eroded and become negative, therefore, in terms of the erstwhile Sick Industrial Companies Act, 1985 ('SICA'), MIL was declared as a 'Sick Company' and reference was pending adjudication before the Ld. AAIFR / BIFR. While the revival scheme of MIL was being considered by Ld. AAIFR, the Govt. of India vide notification bearing no.: S.O. 3568 (E) dated 25th November, 2016 repealed SICA with effect from 1st day of December, 2016 and all the proceedings pending under the SICA (including the proceedings qua MIL) stood abated.

2. With regard to payment of Fixed Deposits, as per Section 74 of the Companies Act, 2013, outstanding principal amount Rs. 60.86 Lacs of public deposits and outstanding interest amounting to Rs. 19.73 Lac due thereon up to the date of maturity were transferred to Investor Education Protection Fund on 7th May, 2018 vide Challan No. U27569086. Thus, there is no liability of the Company towards deposit holders as on date.

Now Deposit Holders can claim their refund directly from IEPF Authority by filing form IEPF-5 and following the prescribed procedure given under the Companies Act, 2013 and rule made thereunder.

3. In compliance of the provisions of Section 125 of the Companies Act, 2013 read with Rules made thereunder, the Company transferred an amount of Rs.525.99 Lac (for unclaimed debentures of 98907) in IEPF Account comprising of Rs. 197.81 Lac for matured Debentures and Rs. 328.18 Lac for interest accrued on such matured Debentures upto the date of maturity as per terms of the issuance of the Debentures. The payment made by Company to IEPF through Punjab National Bank, Parliament Street Branch, New Delhi on 30th April, 2022 vide challan No. X13283197.

Now debenture holders can claim their refund directly from IEPF Authority by filing Form IEPF-5 and following the prescribed procedure given under the Companies Act, 2013 and rules made thereunder.

As on 31st March, 2024 no liabilities/outstanding against any type of debentures have remained unpaid in the books of account.

4. During the year under review the Company has received no new Notice and petitions filed before Hon'ble NCLT, Allahabad, under Insolvency and Bankruptcy Code 2016 (IBC, 2016) and the Company have only one pending petition before NCLT.

Sr. No.	Name of the Operational Creditors	Amount Claimed	Unit	Settlement Amount (in Rs.)	Date of Settlement
1	Apollo Extrusions Limited	1,02,95,652	Modi Arc Electrode Co.	N.A.	-

In several other matters, the Company had settled the operational dues with respective parties and arrived at a Settlement outside the Tribunal and parties amicably withdrew the petitions.

5. During the year under review with audit, there are delay in payment of Cane dues under UP Sugarcane (Regulation of Supply & Purchase) Act/ Rules (1953/1954).

We further report that during the audit period the company has not undertaken any major activities like;



- a) Public/Right/Preferential issue of shares/debentures/borrowing/sweat equity/ ESOP etc.
- b) Redemption/ buy-back of securities
- c) Major decisions have not been taken by the members in pursuance to section 180 of the Companies Act, 2013
- d) Merger / amalgamation / reconstruction, etc.
- e) Foreign technical collaborations/Joint Ventures etc.

This report is to be read with our letter of even date which is annexed and forms an integral part of this report. It is advised that to ensure compliance of all applicable laws to the Company for good governance and as required by Secretarial Standards on Meetings of Board of Directors, a list of Laws applicable to the Company and status of compliance thereof be placed as an item of agenda at the first meeting of the Board in each of the financial year.

For A. N. Jaiswal & Co.
Company Secretaries
Firm Registration No.:S2016DE394500
PR Certificate No. 4464/2023

Date: - 17th August, 2024
Place: - Modinagar

Amar Nath Jaiswal
Proprietor
C.P. No. 14629
UDIN-A019000F000991917



ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,
Modi Industries Limited
Modinagar - 201204.

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For A. N. Jaiswal & Co.
Company Secretaries
Firm Registration No.:S2016DE394500
PR Certificate No. 4464/2023

Date: - 17th August, 2024
Place: - Modinagar

Amar Nath Jaiswal
Proprietor
C.P. No. 14629
UDIN-A019000F000991917

FINANCIAL STATEMENTS



LIQUOR & DISTILLERIES



SUGAR



ELECTRODES



REAL ESTATE



INDEPENDENT AUDITOR'S REPORT

To the Members of Modi Industries Limited

Report on the Audit of the Standalone Financial Statements

1. Adverse Opinion

We have audited the accompanying Standalone Financial Statements of Modi Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, because of the significance of the matters discussed in the Basis for Adverse Opinion section of our report, the accompanying Standalone Financial Statements do not give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit and its cash flows for the year ended on that date.

2. Basis for Adverse Opinion

- (A) The books of accounts, vouchers and other documents of the closed Steel Unit for the financial year 1992-93 were not made available to us and consequently audit could not be conducted in respect of the same. {Refer Note No. 27(4) of the Standalone Financial Statements}. Therefore, the attached Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement do not include: (a) the financial data / impact of working results and of declaration of closure / post-closure transactions, which includes sales and realization of depot sales / dues from debtors, provision / payment of final dues of employees and payments to various parties and manufacturing / personnel / administration expenses etc., of the Steel Unit for the year 1992-93 during which the Unit had operated for ten months the exclusion of which, in our opinion, substantially impairs the presentation of above Standalone Financial Statements of the Company especially in view of the fact that (i) the assets and liabilities of Steel Unit constituted 28% and 43% respectively of the total Assets & Liabilities of the Company as at 31st March, 1992 and the Income & Expenditure of the Steel Unit constituted 30% and 32% respectively of the total Income & Expenditure of the Company for the said year which resulted in a loss of Rs.787.22 Lac for the Steel Unit and (b) impact on Standalone Financial Statements on account of non-incorporation of balance sheets since the year 1993-94 to 2023-24 subject to certain adjustments made to opening assets and liabilities as stated in Note No. 27(4)(c) of the Standalone Financial Statements.
- (B) Further to our observations in paragraph 2(A) above, we report:
- Understatement of accumulated losses on account of non-incorporation of operational / working results, interest expense, declaration of closure and post closure transactions of Steel Unit for the year 1992-93 and on account of non-provision of interest on loans taken / doubtful debtors / doubtful loan and advances for subsequent periods till 31st March, 2024 which also resulted in mis-statement of assets and liabilities as on March 31, 2024, amount / impact not ascertained. {Refer Note No. 27(4) of Standalone Financial Statements and Paragraph 2(A) above}.
 - No physical verification of inventories and property, plant & equipment etc. in closed Steel Unit was conducted since 1991-92 as stated in Note No. 27(4)(f)(viii). In the absence of details of quantity and value of opening inventory as on April 01, 1993 and also on account of non-classification of sale of scrap into sale of inventories and property, plant and equipment, the sale value of scrap till March 31, 2021 of Rs.1,164.21 Lac was treated as sale of inventory and was reduced from the book value of inventory whereas during the previous year, sale value of scrap of Rs.320.57 Lac (financial year 2021-22 Rs.298.20 Lac) was allocated on an adhoc basis between sale of inventory Rs.265.74 Lac (financial year 2021-22 Rs.198.20 Lac), sale of building as scrap Rs.3.25 Lac (financial year 2021-22 Rs.100 Lac) and sale of Plant and Equipment Rs.51.58 Lac.

Written down value of Property Plant and Equipment Rs.26.71 Lac allocated on adhoc basis has not been reduced from the financial statements of Steel Unit & of the Company. Impact on account of adoption of adhoc basis instead of actuals for allocation of sale value and cost of assets sold on Standalone Financial Statements can't be ascertained.

- iii. Non-provision of interest, amount unascertained, on overdues of Micro, Small and Medium Enterprises as stated in Note No. 27(14).
- (C) Confirmation of debit and credit balances as on 31st March, 2024 of most of the trade receivables, trade payables, other creditors and lenders including of assignees of debt and of certain banks have not been obtained since long. Impact of non-confirmation of balances on Standalone Financial Statements can't be ascertained at this stage.

In view of the above and also on account of lack of supporting documents & evidence for provision made for doubtful trade receivables in Distillery Unit of the Company, we are unable to verify the accuracy of provision made till March 31, 2024 of Rs.2,087.68 Lac. Impact, if any, on the Standalone Financial Statements of the Company can't be ascertained at this stage. {Note No. 27(25)}.

- (D) (1) Non-provision of simple, penal and compound interest of Rs.67,851.65 Lac (for the year Rs.9,136.07 Lac) on term borrowings {Note No. 27(18)}.
- (2) Non-provision of recovery charges of Rs.413.50 Lac (Previous Year Rs.413.50 Lac) for sugar season 2007-08. {Note No. 27(31)(c)}.
- (3) Non-provision of interest aggregating to Rs.12,539.48 Lac on cane arrears for sugar seasons 2018-19 to 2023-24 (for the year Rs.2,091.16 Lac). {Note No. 27(31) (g)}.
- (4) Non-provision of excise-duty payable Rs.167.43 Lac as stated in Note No. 27(27).
- (E) We further report that, without considering items mentioned at paragraphs 2(A) to (C) above, the possible effects of which could not be determined, had the observations made by us in paragraph 2(D) above been considered, the profit for the year of Rs.253.22 Lac would have been converted into loss of Rs.80,718.84 Lac, accumulated losses in Note No. 2 would have been Rs.1,07,070.16 Lac (as against the reported accumulated losses of Rs.26,098.10 Lac) and current liabilities would have been Rs.1,70,769.85 Lac (as against the reported figure of Rs.89,797.79 Lac).
- (F) Our audit observations under sections 143(1) & 186 of The Companies Act, 2013 ("the Act") are as under:

As stated in Note No. 27(15), short term unsecured interest free advance amounting to Rs.30 Lac given to a company during the year 2017-18 is not in compliance with the provisions of section 186 of the Companies Act, 2013.

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

3. Material Uncertainty related to Going Concern:

The Company has earned profits of Rs.3,021.03 Lac during four years period ended March 31, 2024. However, the Company was incurring losses for a long period of time till financial years 2019-20 (losses for the nine years i.e. 2011-12 to 2019-20 amounted to Rs.22,183.98 Lac), accumulated losses of Rs.26,098.10 Lac as on



March 31, 2024 which are far in excess of paid-up share capital & reserves (excluding revaluation reserve) of Rs.991.68 Lac as on that date and the Company's current liabilities as per the financial statements as on March 31, 2024, which also includes substantial amount of cane grower's dues (excluding un-provided interest on cane arrears upto March 31, 2024), exceeds its current assets as per the Standalone Financial Statements as on March 31, 2024 by Rs.32,649.17 Lac. In our opinion, these past events / conditions along with our observations in paragraph 2(A) to 2(D) above and substantial amount of arrears of cane grower's dues raises concern on the ability of the company to continue as a going concern. However, various steps as stated in Note No. 27(17), inter-alia sale and lease of unproductive assets, revival of closed Electrode Unit, settlement of dues of a bank and other lenders and improvement in working results of Sugar & Distillery Units during the four years period ended March 31, 2024, are now being taken by the management to ensure that the Company remains a going concern.

4. Emphasis of Matter

We draw attention to:

- (i) Note No. 27(29) regarding entering into agreements to sell 215 residential quarters and Note No. 27(30) regarding entering into lease agreements, including perpetual leases, MOUs for sale of land and buildings for which the approval of assignees, to whom these quarters and land & buildings are mortgaged, is pending.
- (ii) Note No. 27(19)(a) regarding reasons for not making provision for disputed Sales-tax demand of Rs.2,455.78 Lac excluding interest of closed Vanaspati Unit.
- (iii) Note No. 27(31)(a), (d) to (f) regarding demands of recovery charges of Rs.5,758.47 Lac (previous Year Rs.5,758.47 Lac) received on account of non-payment of cane price / commission / interest as these are either disputed by the company or obtained stay order as stated therein. Further, demands of recovery charges of Rs.3,458.25 Lac for sugar seasons 2018-19 & 2019-20 has been received as stated in Note No. 27(31) (h & i) which, in the opinion of the management is not payable in view of the reasons stated in Note No. 27(31)(f)(i). We also invite attention to Note No. 27(31)(f) regarding non-provision of interest for sugar seasons 2013-14 to 2015-16 amounting to Rs.6,280.51 Lac (previous year Rs.6,280.51 Lac) where order of cane commissioner in this regard is still awaited.
- (iv) Note No. 27(26)(xii)(b) regarding vesting of various pieces of land of the Company situated in Modinagar by the Custodian of Enemy Property of India ("CEPI") wherein based on appeal filed by an aggrieved party, the Hon'ble Allahabad High Court set aside the impugned orders and permitted the CEPI to issue fresh notices to the concerned persons as provided in the Rules and thereafter decide the matter afresh. CEPI vide its letter dated 13.10.2023 to District Magistrate decided for cancellation of mutation in favour of CEPI. We are informed by the Company that no fresh notice has been received by the Company till date.

Our opinion is not modified in respect of the matters mentioned in paragraph 4 above.

5. 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 the Board's Report, Corporate Governance and shareholders information and does not include the Standalone Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially

inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Adverse Opinion section above, the figures appearing in the other information don't incorporate figures of Balance Sheets of Steel Unit as on March 31, 2023 and March 31, 2024 and (ii) non-provision for certain expenses not considered in other information. We have concluded that the other information to the extent it relates to financial results in the Director's Report and its Annexures is mis-stated due to non-incorporation of Balance Sheets of Steel Unit of the Company and non-provision of certain expenses.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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 concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control 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 a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the 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.

8. Report on Other Legal and Regulatory Requirements

- (i) As required by the Companies (Auditors' Report) Order, 2020 issued by the Central Government of India in terms of Sub-Section (11) of Section 143 of the Companies Act, 2013, as amended, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we enclose in Annexure 1 a Statement on the matters specified in paragraphs 3 and 4 of the said order except for certain matters relating to Steel Unit of the Company in view of non-availability of information / details on account of non-incorporation of: (i) financial statements of the Steel Unit for the year 1992-93 and (ii) Balance Sheets for the years 1993-94 to 2023-24 as stated in Note No. 27(4) {See Paragraph 2(A) above}.
- (ii) As required by section 143(3) of the Act, we report that:
- A. In case of Steel Unit, no details, information and explanations are available for the opening and closing assets and liabilities as on April 01, 2023 and March 31, 2024 respectively and for contingent liabilities and additional information etc. as on April 01, 2023 and March 31, 2024 in view of non-incorporation of: (i) the financial statements of Steel Unit for 1992-93 and (ii) Balance Sheets for the financial years 1993-94 to 2023-24 as stated in Note No.27(4). Further, no provision has been made for interest on loans payable to an assignee and other matters stated in paragraph 2 above. .
- B
- a. In view of our observations in paragraphs 8(ii)(A) above and paragraph 8(c) of Annexure 2 to our Audit Report, we have not obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In view of observations in paragraph 8(ii)(A) above, in our opinion, proper books of accounts as required by law have not been kept by the Company so far as appears from our examination of those books.
 - c. In view of observations in paragraph 8(ii)(A) above, standalone financial statements of the Company are not in agreement with the books of account of the Company.

- d. In view of observations in paragraph 8(ii)(A) above, the aforesaid Standalone Financial Statements do not comply with the requirements of Accounting Standards referred to in Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 for the Company as a whole.
- e. In view of observations in paragraph 8(ii)(A) above, the aforesaid Standalone Financial Statements do not give the information required by the Act in the manner so required.
- f. The matters described in the Basis for Adverse Opinion section and Emphasis of matter section of our report above, in our opinion, will have an adverse effect on the functioning of the Company.
- g. On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified, as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
- h. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the 'Basis for Adverse Opinion' section of our report above.
- i. With respect to the adequacy and the operating effectiveness of internal financial controls over financial reporting with reference to these Standalone Financial Statements of the Company, refer to Annexure 2 wherein we have given disclaimer of opinion on the adequacy and the operating effectiveness of internal financial controls over financial reporting with reference to these Standalone Financial Statements of the Company.
- j. No managerial remuneration has been paid or provided during the year. Accordingly, the provisions of section 197 read with Schedule V to the Companies Act, 2013 is not applicable.
- k. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. Subject to our observations in paragraph 2(A) above, the Company has various pending litigations which could impact its financial position and the same has been suitably disclosed under Contingent Liability and Notes to Accounts under Note No. 27.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. No amount is required to be transferred to Investor Education and Protection Fund ("IEPF") as on March 31, 2024.
 - iv. (a) The Company has represented that 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 any persons or entities, 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 or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
(b) The Company has represented that no funds have been received by the Company from any persons or entities, including foreign entities ("intermediaries"), 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 we have considered appropriate in the circumstances, subject to our observations in paragraph 2(A) of our audit report, nothing has come to our notice that has caused us to believe that the representations made to us under paragraphs (iv)(a) and (b) above contain any material misstatement
- v. No dividends was paid during the financial year. Accordingly, compliance with provisions of section 123 of the Act is not applicable.
- vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tempered with.

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

For P.R. Mehra & Co
Chartered Accountants
(Firm's Registration No. 000051N)

Laxman Prasad
(Partner)
Membership No:013910
UDIN: 24013910BKFABK9401

Place: Modinagar
Dated: August 17, 2024

Annexure 1 to the Independent Auditors' Report

Annexure referred to in our report of even date to the members of Modi Industries Limited on the Standalone Financial Statements for the financial year ended March 31, 2024

As required by the Companies (Auditors' Report) Order, 2020 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we further report as under:

- (A) The following matters reported at paragraphs {(B) (i to v), (vii) (a)(ii)&(b), ix, xi, xiii, xv and xix} do not cover matters relating to closed Steel Unit of the company since: (i) the financial statements of the Steel Unit for the year 1992-93 have not been prepared and incorporated and consequently the audit of the same has not been carried out and (ii) the Balance Sheets of Steel Unit for 1993-94 to 2023-24 have not been incorporated in the respective financial years due to non-availability of audited opening balances as on 1st April, 1993. {Refer Note No. 27(4) of Standalone Financial Statements and paragraphs 2(A) of our audit report on Standalone Financial Statements}.
- (B) Subject to our comments in paragraph (A) above, we further report as under:
- (i) (a). A. Company's Sugar Unit since inception and other Units since November 1968, have generally maintained proper records including quantitative details and situation of their major Property, Plant and Equipment except for: (i) locations in case of furniture and fixture and (ii) recording of additions / deletions of certain previous years;
- B. The Company is maintaining proper records showing full particulars of intangible assets;
- (b) No physical verification of Property, Plant and Equipment have been conducted by the Management since long;
- (c) We are informed that the original 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) of the company are mortgaged with the lenders by deposit of these title deeds. Confirmation of lenders stating that the original title deeds are held in the name of the company as on March 31, 2024 is yet to be received. Accordingly, we are unable to comment / provide disclosures on the same. Further, Custodian of Enemy Property of India vested various pieces of land of the Company situated in Modinagar. Based on appeal filed by an aggrieved party, the Hon'ble Allahabad High Court set aside the impugned orders and permitted the CEPI to issue fresh notices to the concerned persons as provided in the Rules and thereafter decide the matter afresh. CEPI vide its letter dated 13.10.2023 to District Magistrate decided for cancellation of mutation in favour of CEPI. We are informed by the Company that no fresh notice has been received by the Company till date. Refer Note No. 27(26)(xii)(b);
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year. Accordingly, clause 3(i)(d) of the Order is not applicable to the Company;
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder;
- (ii) (a) The inventory of the company has been physically verified at reasonable intervals by the management and the coverage and procedure of such verification by the management is appropriate except for not conducting physical verification of inventory, if any, of closed Steel Unit and inventory of stores and spare-parts of all the units. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed;



- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no working capital limits were sanctioned to the Company during the year by banks and financial institutions;
- (iii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investment, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies or firms, Limited Liability Partnerships or any other parties during the financial year 2023-24. Accordingly, provisions of clause 3(iii) of the Order is not applicable to the Company;
- (iv) In view of our observations in paragraph (iii) above in respect of loans, investments, guarantees and security, the compliance with the provisions of section 185 and 186 of the Companies Act are not applicable for the financial year 2023-24;
- (v) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not accepted any deposits or any amounts which are deemed to be deposits from the public. However, as stated in Note No.27(21), Rs.1,597.08 Lac {Balance outstanding as on 31st March, 2024 Rs. Nil} received by the Company from individuals and other non-corporate entities under sale bills discounting are not being considered / treated and disclosed as deposits by the Company since the Company contends that these amounts are payable by the drawees of these bills of exchanges and no loan / deposit is appearing in the books of account of the Company at any time during the year and at the year end;
- (vi) The Central Government has prescribed maintenance of cost records by the Company in respect of manufacture of Sugar and Distillery Units of the Company and such accounts and records have been made and maintained based on our preliminary examination of these records;
- (vii) (a) Except for following cases, the company was regular in depositing with the appropriate authorities undisputed statutory dues during the current financial year:
- (i) There were delays in deposit of GST dues of six months in Sugar Unit and few delays of 2 months in Distillery Unit. Regarding Tax Collection at Source, dues were also deposited with few delays for certain months in Distillery unit of the company. Regarding employee pension scheme, there were delays for deposit in Distillery and Sugar Units. VAT dues of Rs.3,428.92 Lac of certain months were deposited late by Modi Distillery Unit of the Company.
- (ii) On the basis of such checks as were considered appropriate and according to the information and explanations given to us, Statement of Arrears of unpaid undisputed Statutory Dues (excluding of Steel Unit) outstanding for more than six months are as under:

Nature of dues	(Rs. in Lac)
U.P. Trade Tax/CST/VAT etc.	1,140.39
PF / EPS	38.69
ESI	1.91
Tax deducted at source (Including interest on dues)	29.99
Service-tax	31.93
Excise-duty	38.84
GST	71.72
Commission on sugarcane purchases	100.10

- (b) According to the records of the company and based on information and explanations furnished to us, the following Excise duty, Income-tax and value added tax / sales-tax dues (excluding unascertainable amounts and disputed dues of closed Steel Unit for the period 1992-93 to 2023-24) were not deposited on account of disputes pending at various forums {Refer Note No. 27(4)}:

Name of statute	Nature of the dues	Amount of dues (Rs. in Lac)	Amount deposited under protest (Rs. in Lac)	Period to which the amount relates	Forum where disputes is pending
U.P.VAT Act	VAT Tax, Penalty, Interest, Exemption to New Units.	2732.96	18.35	1982-83 to 1984-85, 1987-88, 1990-91 & 1991-92, May 91 to March 96	Allahabad High Court.
	VAT Tax and Penalty	@165.16	113.58	1952-53, 1981-82, 1984-85 to 1985-86, 1992-93, 1995-96, 1998-99, 2000-01 to 2001-02, 2007-08	Commercial Tax Tribunal, Ghaziabad
	VAT Tax and Penalty	362.78	138.67	1986-87, 1994-95 to 99-2000	Joint Commissioner (A), Ghaziabad
	VAT Tax	133.67	-	1986-87, 1988-89, 2001-02, 2003-04, 2005-06	Deputy Commissioner. (Assessment), Modinagar.
	Penalty under VAT Tax	4.37	0.45	2008-09	Allahabad high Court
Central Sales Tax Act	Central Sales Tax,	96.72	3.53	1986-87, 1992-93, 1997-98 and 2000-01	Commercial Tax Tribunal, Ghaziabad.
	Central Sales Tax,	50.25	9.68	1994-95 to 1996-97 and 1999-2000	Joint Commissioner (Appeals), Ghaziabad
	Central Sales Tax	6.76	-	1997-98, 2005-06	Deputy Commissioner (A), Modinagar
State Sales Tax Act	State Tax	10.56	0.20	1992-93	Additional Commissioner, Sales Tax, Delhi.
	Sales Tax	5.97	2.00	1985-86, 1997-98, 2002-03, 2004-05 & 2005-06	State Tax
	Sales Tax	0.82	0.05	2014-15	State Tax
	Penalty (HGST)	0.30	-	1991-92	Tribunal Sales Tax, Chandigarh.
	State Tax	15.79	1.79	1989-90 to 1993-94, 1998-99 and 2006-07	Deputy Commissioner (A), States
Central Sales Tax Act (States)	Central Sales Tax	1.92	0.29	1988-89 to 1992-93.	Appellate Authority/DC (Appeals) Delhi
DC (Appeals), Delhi	Excise Duty	70.40	-	2008-09 to 2012-13	Commissioner (Appeals), Meerut.
Excise & Custom Act		0.74	0.20	1996-97	Commissioner of Central Excise, Ghaziabad.
		*56.66	-	February, 1981 to February, 1987 October 2002 to January 2005	CESTAT



Name of statute	Nature of the dues	Amount of dues (Rs. in Lac)	Amount deposited under protest (Rs. in Lac)	Period to which the amount relates	Forum where disputes is pending
		5.00	-	Information not available.	Information not available.
		6.34	6.34	2009 onwards	Supreme Court of India
Sales Tax Act	Tax on sale of Molasses	236.85	-	2011-12, 2012-13 and 2013-14	Demand stayed by Allahabad HC dated 19.4.2010
VAT/Central Sales Tax Act	VAT and Central Sales Tax	#23,626.29	-	2017-18 & 2020-21	VAT and Sales Tax demands raised through ex-parte orders and the re-opening application are pending before authorities.

@ Provided for Rs.82.60 Lac in the Accounts.

*Provided for Rs.32.20 Lac in the Accounts.

Excludes VAT and Central Sales Tax ex-parte demand of Rs.40,514.29 Lac for the years 2014-15 to 2016-17, 2018-19 & 2019-20 which have been remanded back to A.O. by the Appellate Authority to pass orders afresh.

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 (43 of 1961) as income during the year;
- (ix) (a) The Company has defaulted in repayment of dues stated below. The details of defaults as per books of account and period of defaults are as under:

(Rs.in Lac)				
Particulars	Loan Amount	Interest excluding unprovided interest {Note No. 27(18)}	Total dues	* Period of default
Government of Uttar Pradesh	8.08	6.43	14.51	Prior to year 2000

* excluding amounts relating to loans from a bank and financial institutions assigned to SBEC Sugar Limited as the terms of interest and repayment of dues are yet to be decided. Refer Note No. 27(5) regarding assignment of debts by bank and financial institutions.

- (b) The Company had taken loan from bank which was overdue as on March 31, 2024. Refer Note No. 27 (23) regarding settlement and payment of entire dues of the bank after April 01, 2024. No information available regarding wilful defaulter status for the past years. However, the Company has confirmed that no such status / information has been received by the Company during the current financial year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has obtained term loan for purchase of vehicle only during the year and has applied the same for the purpose for which loan was obtained;
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we report that funds raised on short-term basis in Distillery Unit during the year were applied for long term purposes i.e. purchase of property, plant and equipment by the Company;
- (e) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the Company has no joint-venture. Accordingly, clause 3(ix)(e) of the Order is not applicable;

- (f) The Company has no joint-venture. Accordingly, provisions of paragraph 3(ix)(f) of the Order is not applicable to the Company;
- x. The company has not raised any money by way of Initial Public Offer or further public offer (including debt instruments) during the year. Further, the Company has not made any preferential allotment or private placement of shares or convertible debentures during the year. Accordingly, clause 3(x)(a & b) of the Order is not applicable to the Company.
- xi. a. According to the information and explanations given to us by the Company, no fraud by the Company or any fraud on the Company has been noticed or reported during the year;
- b. No report has been filed by us under sub-section (12) of section 143 of the Companies Act during the year in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- c. We are informed by the Company that no whistle-blower complaints were received during the year;
- xii. The Company is not a Nidhi company. Accordingly, provisions of paragraph 3(xii) of the Order is not applicable to the Company;
- xiii. The Company contends that all transactions with related parties including leasing of land and buildings and agreement for sale of land and buildings are done in its ordinary course of business on an arm's length basis and are approved by the Audit Committee of the Board and accordingly approval of shareholders was not obtained for these transactions with related parties and hence these transactions are covered under the 4th proviso of section 188(1) of the Companies Act, 2013. Accordingly, the provisions of section 188(1) of the Act don't apply to these transactions which was supported by the legal opinion obtained by the Company in this regard. Subject to the foregoing, the company has complied with the provisions of Sections 177 and 188 of the Companies Act, 2013 with respect to the transactions with the related parties.
- Details of the transactions with the related parties have been disclosed in the Standalone Financial Statements as required by the applicable Standards on Auditing.
- xiv. Internal Audit system exists in case of Sugar and Distillery Units. In our opinion, internal audit system in Distillery unit needs improvement in terms of coverage of trade scheme / sale promotion expenses and commission expenses and year end closing entries under internal audit scope and highlight non-compliances, if any, of various laws and regulations etc. to make internal audit system commensurate with the size and nature of its business. However, there is no internal audit system in respect of other Units and Corporate Office. Reports of Internal auditors for the period under audit were considered by us.
- xv. The Company has not entered into any non-cash transactions with the directors or persons connected with him.
- xvi. The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. The Company has not conducted any Non-Banking Financial or Housing Finance activities. The Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India.
- xvii. The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year;
- xviii. There was no resignation of statutory auditors during the year. Accordingly, provisions of paragraph 3(xviii) of the Order is not applicable to the Company;
- xix. According to the information and explanations given to us and on the basis of financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, in our opinion, in view of payment



of dues of cane growers with delays along with our observations in paragraph 3 of audit report, generally the Company may or may not be able to meet its liabilities of farmers dues mainly existing at the balance sheet date as and when they fall due within a period of one year from the balance sheet date. We further state that our reporting is based on the facts upto the date of the audit report. Refer Note No. 27(5) of the standalone financial statements regarding assignment of debts wherein terms and conditions including of repayment are yet to be decided;

- xx. In view of negative average profits during the immediately preceding three financial years computed as per the provisions of section 198 of the Act, provisions of section 135 of the Act is not applicable to the Company. Accordingly, provisions of clause 3(xx) of the Order is not applicable to the Company for the year ended March 31, 2024.

For P.R. Mehra & Co
Chartered Accountants
(Firm's Registration No. 000051N)

Place: Modinagar
Dated: August 17, 2024

Laxman Prasad
(Partner)
Membership No: 013910
UDIN: 24013910BKFABK9401



ANNEXURE “2” TO THE INDEPENDENT AUDITOR’S REPORT OF MODI INDUSTRIES LIMITED FOR THE YEAR ENDED MARCH 31, 2024

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting with reference to Standalone Financial Statements of Modi Industries Limited (“the Company”) as of March 31, 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

1. Management’s Responsibility for Internal Financial Controls

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

2. Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting with reference to these Standalone Financial Statements based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing as prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls over financial reporting with reference to Standalone Financial Statements, both issued by the Institute of Chartered Accountants of India.

Because of the matters described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the internal financial controls over financial reporting with reference to these Standalone Financial Statements.

3. Meaning of Internal Financial Controls over financial reporting with reference to these Standalone Financial Statements

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

4. Disclaimer of Opinion

According to the information and explanations given to us, the company has neither established nor evaluated its internal financial controls over financial reporting with reference to the financial statements on criteria



based on or considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Mainly because of this reason and also our comments in paragraph 2 of our audit report of even date on Standalone Financial Statements of the company, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the company had adequate internal financial controls over financial reporting with reference to the financial statements and whether such internal financial controls were operating effectively as at 31st March, 2024.

However, according to the information and explanations given to us and based on our audit of the Standalone Financial Statements, the following material weaknesses have been noticed as at 31st March, 2024 for which remedial action by the management is yet to be initiated:

- a) The books of accounts, vouchers and other documents of the Steel Unit for 1992-93 were not made available to us and consequently audit of financial assets, liabilities and contingent liabilities could not be conducted. {Note No. 27(4)}. Therefore, as stated in Paragraph 2(A) of audit report of even date, the attached Balance Sheet, Statement of Profit and Loss and Cash Flow Statement does not include: (a) the financial data / impact of working results and of declaration of closure / post-closure transactions, which includes realization of depot sales / dues from debtors, provision / payment of final dues of employees and payments to various parties and manufacturing / personnel / administration expenses etc., of the Steel Unit of the company for the year 1992-93 during which the Unit had operated for ten months the exclusion of which, in our opinion, substantially impairs the presentation of Standalone Financial Statements of the Company and (b) impact on Standalone Financial Statements on account of non-incorporation of transactions / balance sheets for the years 1993-94 to 2023-24 as stated in Note No. 27(4)(c) of the Standalone Financial Statements and non-physical verification of inventory and property, plant and equipment held for sale as stated in Note No. 27(4).
- b) No internal audit was conducted in respect of Electrode and Steel Units and of Corporate office since long. Internal Audit system exists in case of Distillery Unit which, in our opinion, needs improvement in terms of coverage of trade scheme / sale promotion expenses and commission expenses and year end closing entries under internal audit scope and to highlight non-compliances with various laws and regulations in order to make it commensurate with the size and nature of its business.
- c) We note that the during the financial year 2023-24, the Distillery Unit of the Company has accounted for sale promotion expenses i.e. "Trade Scheme" expenses amounting to Rs.3,753.35 Lac (previous year Rs.3,190.45 Lac) which, as informed to us by the Company, are being claimed from the Distillery Unit towards reimbursement of rebates and discounts allowed by the Sale Promotion Agents (SPAs) on secondary sales (i.e. on sale by State Corporations to retailers) given to owners of retail shops on sale made by them to their customers. Distillery Unit has also incurred sale promotion (mainly distribution of gifts) of Rs.1,451.63 Lac (previous year Rs.1,330.21 Lac).

In our opinion, internal financial controls over these expenses, including obtaining appropriate documentary evidence and confirmations of receipt of trade scheme incentives from owners of retail shops to whom these incentives are given to support nature and claim amount for such reimbursements and records & internal control relating to distribution of gifts, needs to be implemented / improved upon to safeguard the interests of the Company as well as to ensure compliances with the provisions of the Income-tax Act, 1961, as amended, relating to tax deduction at source.

- d) Confirmation of Debit / Credit balances of trade receivables, trade payables, other creditors and lenders including assignees of debt are not being obtained by the company since long. Further, in the absence of supporting documents & evidence, accuracy of such provision made upto March 31, 2024 for doubtful trade receivables can't be verified.



- e) No physical verification of property, plant and equipment and stores and spare parts has been conducted since long.

We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of the Standalone Financial Statements of the company and the disclaimer has affected our opinion on the Standalone Financial Statements of the company and we have issued an adverse opinion on the Standalone Financial Statements of the Company for the year ended March 31, 2024.

For P.R. Mehra & Co
Chartered Accountants
(Firm's Registration No. 000051N)

Laxman Prasad
(Partner)

Membership No: 013910
UDIN: 24013910BKFBK9401

Place: Modinagar
Dated: August 17, 2024



STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2024

(Rs. in Lac)

Sl. No.	Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
I	EQUITY AND LIABILITIES :			
(1)	Shareholders' funds:			
	(a) Share Capital	1	371.66	371.66
	(b) Reserves & Surplus	2	(23,402.63)	(23,655.85)
			(23,030.97)	(23,284.19)
(2)	Non-current liabilities :			
	(a) Long term borrowings	3	142.61	26.76
	(b) Other long term liabilities	4	5,207.33	5,206.11
	(c) Long term provisions	5	684.95	660.37
			6,034.89	5,893.24
(3)	Current liabilities :			
	(a) Short term borrowings	6	37,373.30	21,338.24
	(b) Trade payables:	7		
	(i) Micro and Small Enterprises		517.45	629.23
	(ii) Other than Micro and Small Enterprises		30,776.15	35,483.16
	(c) Other current liabilities	8	20,462.85	18,018.09
	(d) Short term provisions	9	668.04	1,212.46
			89,797.79	76,681.18
	TOTAL		72,801.71	59,290.23
II	ASSETS			
(1)	Non-current assets			
	(a) <u>Property, Plant and Equipment:</u>			
	i) Tangible assets	10	14,444.54	9,545.02
	ii) Intangible assets	11	0.91	2.23
	iii) Capital work-in-progress	11 (A)	112.96	973.17
	(b) Non-current investments	12	743.72	713.52
	(c) Long term loans and advances	13	139.28	157.34
	(d) Other non current Assets (Fixed Tangible)	13A	211.68	194.25
			15,653.09	11,585.53
(2)	Current assets			
	(a) Inventories	14	17,001.64	17,193.65
	(b) Trade receivables	15	31,131.76	24,109.44
	(c) Cash and bank balances:-			
	(i) Cash and cash equivalents	16(i)	3,335.16	946.66
	(ii) Other bank balances	16(ii)	440.39	470.78
	(d) Short term loans and advances	17	4,408.67	4,459.71
	(e) Other current assets	18	831.00	524.46
			57,148.62	47,704.70
	TOTAL		72,801.71	59,290.23

Significant accounting policies and other notes to Standalone Financial Statements 25 to 27

The accompanying notes are an integral part of the Standalone Financial Statements.

For and on behalf of the Board of Directors
of Modi Industries Limited

As per our report of even date.

For P. R. Mehra & Co.,
Chartered Accountants,
(Regn.No.000051N)

Umesh Kumar Modi
(DIN-00002757)
Chairman & Managing Director

Rakesh Kumar Modi
(DIN 00022386)
Director

Laxman Prasad
Partner
Membership No. 013910
Dated: 17th August, 2024
Place: Modinagar

Shobit Nehra
(ACS-31863)
Company Secretary, DGM (Legal)



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

(Rs. in Lac)

Sl. No.	Particulars	Note No.	For the year ended 31st March 2024	For the year ended 31st March 2023
	Revenue from operations			
I	Sale of products/services and other operating revenue	19	1,76,990.81	1,39,180.34
	Less:- Excise duty		62,111.15	43,379.16
	Revenue from operations		1,14,879.66	95,801.18
II	Other income	20	774.41	1,389.63
III	Total Income (I + II)		1,15,654.07	97,190.81
IV	Expenses:-			
	Cost of materials consumed	27(34)(ii)	49,517.53	44,829.26
	Purchases of stock-in-trade	27(34)(iv)	546.42	53.74
	Inventory held for Sale		0.99	20.74
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	736.54	(2,119.24)
	Employee benefits expense	22	5,373.02	4,955.54
	Finance costs	23	3,212.49	1,944.44
	Depreciation and amortization expense	10&11	652.79	508.08
	Other expenses	24	54,003.47	44,717.53
	Total expenses		1,14,043.25	94,910.09
V	Profit before exceptional and extra-ordinary items and tax (III-IV)		1,610.82	2,280.72
VI	Exceptional items (Net)	27(28)	(1,357.60)	(1,170.92)
VII	Profit before extra-ordinary items and tax (V+VI)		253.22	1,109.80
VIII	Extra-ordinary items		-	-
IX	Profit before tax (VII+VIII)		253.22	1,109.80
X	Tax expenses	27(11)	-	-
XI	Profit for the year		253.22	1,109.80
XII	Profit from continuing operations		253.22	854.81
XIII	Profit from discontinuing operations	27(4)(e)	-	254.99
XIV	Tax expense of discontinuing operations		-	-
XV	Profit from discontinuing operations (after Tax) (XIII+XIV)		-	254.99
XVI	Net Profit for the year (XII+XV)		253.22	1,109.80
	Basic /Diluted Earnings per equity share of Rs. 10/- each (in Rupees)	27(25)	7.65	33.54
	Significant Accounting Policies and other notes to Standalone Financial Statements	25 to 27		

The accompanying notes are an integral part of the Standalone Financial Statements.

**For and on behalf of the Board of Directors
of Modi Industries Limited**

As per our report of even date.

For P. R. Mehra & Co.,
Chartered Accountants,
(Regn.No.000051N)

Umesh Kumar Modi
(DIN-00002757)
Chairman & Managing Director

Rakesh Kumar Modi
(DIN 00022386)
Director

Laxman Prasad
Partner
Membership No. 013910
Dated: 17th August, 2024
Place: Modinagar

Shobit Nehra
(ACS-31863)
Company Secretary, DGM (Legal)



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

(Rs. in Lac)

PARTICULARS	2023-24	2022-23
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before Tax	253.22	1,109.80
Less: Adjustment for :		
i) Interest Income	34.67	60.47
ii) Profit on Sale of Fixed Assets	15.33	179.75
iii) Excess Provision written back	61.18	68.02
iv) Unclaimed credit balances W/back	29.85	465.08
v) Reversal of diminution in value of Investment	30.20	-
vi) Depreciation writte back	0.05	0.27
vii) Dividend Income	105.00	42.00
viii) Amount Written back	28.42	11.54
	304.70	827.13
Add: Adjustments for :	(51.48)	282.67
i) Depreciation	652.79	508.08
ii) Assets written off/Loss on sale of Assets/Stores	29.10	-
iii) Interest Expenses on borrowings	4,069.97	2,900.89
iv) Provision for Doubtful Debts & Advances	21.33	378.42
v) Amounts/Claims/Bad Debts written off (Net of provisions)	2.99	139.19
vi) Provision for obsolete Raw Material, spare-parts & stores	-	36.75
vii) Provision for diminution in value of Investment	-	0.20
	4,776.18	3,963.53
Operating Profit before Working Capital Changes	4,724.70	4,246.20
Adjustments for :		
Trade Receivables	(6,850.75)	(9,330.72)
Inventories	190.71	(758.35)
Trade Payable & Other Liabilities	(2,376.23)	7,684.47
Loans/Advances and other assets	(263.50)	(2,051.73)
Other bank balances	30.39	479.18
Cash Generated from Operations	(4,544.68)	269.05
Income tax paid	-	-
Net Cash from Operating Activities (A)	(4,544.68)	269.05
(B) CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(4,331.45)	(3,331.70)
Sale of Fixed Assets	58.63	244.95
Interest Received	23.87	136.23
Dividend Received	105.00	42.00
Net Cash Flow from Investing Activities (B)	(4,143.95)	(2,908.52)



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

PARTICULARS	(Rs. in Lac)	
	2023-24	2022-23
(C) CASH FLOW FROM FINANCING ACTIVITIES :		
Long Term borrowings from others	115.85	26.76
Short term borrowings (net)	16,035.06	5,946.03
Interest paid on borrowings	(3,779.64)	(3,078.03)
Secured Debentures Paid	-	(329.60)
Net Cash from Financing Activities (C)	12,371.27	2,565.16
Inter Unit Balances (Net) (D) (Refer Foot-Note 1)	(1,294.14)	476.29
Net Increase/(decrease) in cash and Cash Equivalents (A+B+C+D)	2,388.50	401.98
Opening Cash and Cash Equivalents	946.66	544.68
Closing Cash and Cash Equivalents	3,335.16	946.66

FOOT-NOTES :

- In view of non availability of audited balance sheet as on 31.03.2024 and 31.03.2023 of Steel Unit, cash flow from investing and financing activities and changes in current assets & liabilities of Steel unit is not included in the Cash Flow Statement except for inclusion of net outflow of Rs. 1294.14 Lac (Previous Year net inflow 476.29 Lac) on account of net increase in inter unit credit balance appearing in Note 8 i.e., Other Current Liabilities after adjusting depreciation of Steel Unit Rs. 42.98 Lac (Previous Year Rs. 37.55 Lac){Refer Note No.27(4)}.
- Figures in brackets represents outflows.
- Previous Year figures have been rearranged/regrouped wherever considered necessary.

The accompanying notes are an integral part of the Standalone Financial Statements.

**For and on behalf of the Board of Directors
of Modi Industries Limited**

As per our report of even date.

For P. R. Mehra & Co.,
Chartered Accountants,
(Regn.No.000051N)

Umesh Kumar Modi
(DIN-00002757)
Chairman & Managing Director

Rakesh Kumar Modi
(DIN 00022386)
Director

Laxman Prasad
Partner
Membership No. 013910
Dated: 17th August, 2024
Place: Modinagar

Shobit Nehra
(ACS-31863)
Company Secretary, DGM (Legal)



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

NOTE NO.1: SHARE CAPITAL

(Rs. in Lac)

Particulars	As at	
	31 March 2024	31 March 2023
Authorised:-		
40,00,000 Equity shares of Rs. 10/- each	400.00	400.00
1,00,000 15% Redeemable cumulative Preference shares of Rs. 100/- each	100.00	100.00
	500.00	500.00
Issued, subscribed and paid up:-		
33,09,214 Equity shares of Rs. 10/- each fully paid-up	330.92	330.92
40,741 15% Redeemable cumulative Preference shares of Rs. 100/- each fully paid-up	40.74	40.74
TOTAL	371.66	371.66

Foot notes:

- (1) (a) Details of equity shares held by each shareholder holding more than 5 percent shares as at the end of financial year are as under:

Name of share holder	As at		As at	
	31 March 2024		31 March 2023	
	No.of shares held	Percentage	No.of shares held	Percentage
(i) Umesh Kumar Modi	6,89,339	20.83	6,89,339	20.83
(ii) K K Modi Investment & Financial Services Pvt. Ltd.	2,31,751	7.00	2,31,751	7.00

- (b) Details of preference shares held by each shareholder holding more than 5 percent shares as at the end of financial year are as under:

Name of share holder	As at		As at	
	31 March 2024		31 March 2023	
	No.of shares held	Percentage	No.of shares held	Percentage
(i) ICICI Bank	7,794	19.13	7,794	19.13
(ii) The Oriental Insurance Company Limited *	6,550	16.08	6,550	16.08
(iii) The New India Assurance Company Limited*	13,624	33.44	13,624	33.44
(iv) The United India Insurance Company Limited *	4,093	10.05	4,093	10.05
(v) General Insurance Corporation of India	3,560	8.74	3,560	8.74
(vi) National Insurance Company Limited *	4,912	12.06	4,912	12.06

- (2) (a) Cumulative Preference Shares were due for redemption on 31st December, 2010 and are overdue for redemption as on 31st March, 2024. As the Company could not create the Capital Redemption Reserve (CRR) due to the accumulated losses, therefore, these preference shares could not be redeemed by the Company.

- *(b) As informed by M/s. T C Healthcare Pvt Ltd.(TCH), the Preference Shares held by these institutions have been sold to TCH and accordingly TCH is now the owner of these Preference Shares and as such all the benefits, if any, arising in respect of these Preference Shares shall accrue in favour of TCH.

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

NOTE NO. 2: RESERVES & SURPLUS

(Rs. in Lac)

Sl.No.	Particulars	Opening Balance	Addition	Deduction	Closing Balance
(1)	Capital Reserve	459.34	-	-	459.34
(2)	Capital Redemption Reserve	25.11	-	-	25.11
(3)	Shares Premium	22.57	-	-	22.57
(4)	Debenture Redemption Reserve	113.00	-	-	113.00
(5)	Revaluation Reserve	2,012.51	-	-	2,012.51
(6)	Other Reserves/Funds:-				
	-Storage fund for Molasses Account	56.24	6.70	-	62.94
(7)	Surplus i.e. balance in Statement of Profit and Loss	(26,344.62)	253.22	6.70	(26,098.10)
	TOTAL	(23,655.85)	259.92	6.70	(23,402.63)
	Previous year	(24,765.65)	1,116.52	6.72	(23,655.85)

Foot-note:-

Storage fund for Molasses Rs. 6.70 Lac (previous year Rs. 6.72 lac) is created @ Rs. 1.50 per Qtl. of Molasses sold as per the provision of "The Molasses Control (Regulation of fund for erection of storage facilities) Order, 1976" and is to be utilised for construction or erection of storage facilities for Molasses.

NOTE NO. 3: LONG TERM BORROWINGS

(Rs. in Lac)

Particulars	As at 31 March 2024	As at 31 March 2023
Secured:-		
Term loans from banks (See foot note no. 1) (Secured against hypothecation of vehicle)	20.43	26.76
Term loans from others (See foot note no. 2)	122.18	-
Unsecured:-		
Term loans from banks	-	-
Deposits	-	-
Long term maturities of finance lease obligations	-	-
TOTAL	142.61	26.76

Foot-note:-

- Loan from Bank is repayable in 60 equated monthly installment of Rs. 0.70 lac. Interest payable @ 8.85% per annum.
- As stated in note no 27(10), the International Asset Reconstruction Company Limited, the assignee of ICICI debt along with under lying security assigned the loan to M/s. T.C. Healthcare Private Limited on 27.06.2018. Charge has been duly registered with Registrar of Companies.

During the year the Company has successfully negotiated and entered into One Time Settlement with M/s. T.C. Healthcare Private Limited and agreed to pay a sum of Rs.796.74 Lac towards full and final settlement of outstanding dues. The said OTS amount will be payable in 24 equal monthly instalment Rs. 33.49 Lac along with further simple interest of 8% per annum on reducing balancing method. { Refer foot note no. 3(e) of Note No. 6 for security against loan}.



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

NOTE NO. 4 : OTHER LONG TERM LIABILITIES

(Rs. in Lac)

Particulars	As at 31 March 2024	As at 31 March 2023
Trade payable	-	-
Others:		
Security received against houses	1,051.65	1,051.65
Security received from others	40.81	40.81
Advance received against houses {Note No.27 (29)}	504.50	504.50
Security against Land & Building given on lease	30.37	29.15
Security received against Modi Bhawan, Delhi	3,580.00	3,580.00
TOTAL	5,207.33	5,206.11

NOTE NO. 5: LONG-TERM PROVISIONS

(Rs. in Lac)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits:-		
Provision for gratuity:-		
As per last balance sheet	616.03	555.39
Add: Provided during the year	51.20	80.22
Less: Paid/ Payable during the year	28.06	19.58
Sub total (A)	639.17	616.03
Provision for leave encashment:-		
As per last balance sheet	44.34	33.53
Add: Provided during the year	1.68	11.50
Less: Paid/ Payable during the year	0.24	0.69
Sub total (B)	45.78	44.34
TOTAL (A+B)	684.95	660.37

NOTE NO. 6: SHORT TERM BORROWINGS

(Rs. in Lac)

Particulars	As at 31 March 2024	As at 31 March 2023
(A) Secured:-		
<u>Loans repayable on demand :-</u>		
-from banks		
-Cash credit (including interest accrued)(see-foot note no. 1 & 2 below)	2,481.03	1,498.19
(B) Current maturities of long term borrowings		
(i) Loans (See foot note 3)	1,157.20	1,279.38
(ii) Loan from a Bank	6.32	5.79
(C) Unsecured loans from related parties		
Modi Illva India Pvt Ltd (See foot note no. 4)	24,764.92	16,643.02
Moderate Leasing & Capital Services Ltd.	2,152.88	1,511.86
(D) Unsecured loans from Other than related parties		
Others (See foot note no. 5)	1,275.00	-
Other loans and advances (M I Spirits India Pvt. Ltd.) (See foot note no. 6)	5,535.95	400.00
TOTAL	37,373.30	21,338.24

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

Foot-notes:-

- 1 Cash Credit of Rs. 2481.03 Lac pertains to Punjab National Bank of Rs.1440.03 Lac and Allahabad Bank (now known as Indian Bank) of Rs.58.16 Lac is in default. During the financial year 2024-25 the loan of Allahabad Bank has been settled through one time settlement and the Company has paid Rs.1041 Lac as one time settlement amount in the month of June and July, 2024. Accordingly, unprovided remaining amount of interest Rs.982.83 Lac has been accounted for as an exceptional item in the statement of Profit & Loss Account for the year ended March 31, 2024 by crediting the same in the above mentioned CC Account. The said Cash credit limits has been secured by hypothecation of Raw Materials, Stock in Progress, Finished Goods, Stores and Spares and Book Debts and guaranteed by a Director. {Refer Note No. 27(5)(a) and 27(23)}
- 2 Cash credit from Allahabad Bank (now known as Indian Bank) and from Punjab National Bank are in default since long. Interest payable on cash credit from Punjab National Bank has not been provided and paid since the year 1992.{Refer Note No. 27(23) and Note No. 27(5)(a)}.
- 3 Others:-
 - (a) Loans aggregating to Rs. 915.40 Lac (IDBI Rs. 627.74 Lac, IFCI Rs. 287.66 Lac) are secured against securities as mentioned in Note no 3(e) below.{Refer Note Nos.27(5)(b) & (c) for assignment of debts of IDBI & IFCI and note no. 27(10) for assignment of debts of ICICI amounting of Rs. 235 Lac}.
 - (b) Loan of Rs. 8.08 Lac from Government of Uttar Pradesh under the Industrial Subsidised Housing Scheme is secured by 1st Mortgage of Land and tenaments constructed under the Scheme.Details of default not available.
 - (c) Loan from IDBI under Technical Development Fund Scheme amounting to Rs. 74.70 Lac is secured against Electrolyser and Copper Electrodes Machine.{Refer Note No.27(5)(b) for assignment of debts}.
 - (d) Loan taken under Equipment Finance Scheme amounting to Rs. 46.20 Lac is secured against Effluent treatment plant.{Refer Note No.27(5)(c) for Assignment of debts}.
 - (e) The above loans are secured by Joint Mortgage of all fixed assets present and future by hypothecation of the said assets and by deposit of title deeds relating to company's immovable properties, floating charges on all movable/current assets, other than assets referred in foot notes 3(b,c,d) above and foot note 1 above.
- 4 Working Capital Finance from Modi Illva India Private Limited, a related party, carries interest @ 10% per annum and no repayment terms are specified in the loan agreement.
- 5 Unsecured Loan from other of Rs. 1275 Lac carries interest @ 16% per annum and no repayment terms are specified in the loan agreement.
- 6 Working Capital Finance from others i.e. MI Spirits India Private Limited carries no interest and no repayment terms are specified in the loan agreement.

NOTE NO. 7: TRADE PAYABLES

(Rs. in Lac)

Particulars	As at 31 March 2024	As at 31 March 2023
<u>Undisputed Dues:-</u>		
(i) MSME	256.18	362.64
(ii) Others	29,876.94	29,018.15
(iii) Unbilled Dues (Others)	-	4,381.21
<u>Disputed Dues:</u>		
(i) MSME	-	-
(ii) Others	-	-
Customers for purchase of goods*	1,160.48	2,306.21
Other payables	-	44.18
TOTAL	31,293.60	36,112.39

*Includes Rs. 261.27 Lac (Previous Year Rs. 266.59 Lac) relating to MSME.

Refer Note No. 27 (35) (b) for ageing of trade payables.



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

NOTE NO.8: OTHER CURRENT LIABILITIES

(Rs. in Lac)

Particulars	(Rs. in Lac)	
	As at 31 March 2024	As at 31 March 2023
Deferred credits*	35.11	35.11
Amount payable for purchase of Capital Assets (Note No 14)	422.46	53.07
Interest accrued but not due on borrowings	1,043.21	468.45
Interest accrued and due on borrowings	1,381.11	1,665.54
Unreconciled Inter-unit balances { Note No.27(4)}	6,169.48	7,420.64
Other Payable:-		
Employees dues	1,298.36	1,412.93
Statutory liabilities	4,775.62	3,676.50
Security received from others	126.49	126.69
Other liabilities	5,211.01	3,159.16
TOTAL	20,462.85	18,018.09

* Relates to Steel unit.

NOTE NO. 9: SHORT-TERM PROVISIONS

(Rs. in Lac)

Particulars	(Rs. in Lac)	
	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits:-		
Provision for gratuity:-		
As per last balance sheet	222.16	281.72
Add: Provided during the year	74.65	97.07
Less: Paid during the year	60.14	156.63
Sub total (A)	236.67	222.16
Provision for leave encashment:-		
As per last balance sheet	6.49	7.73
Add: Provided during the year	8.58	4.86
Less: Paid during the year	8.16	6.10
Sub total (B)	6.91	6.49
Others:-		
Provision for State Excise Duty		
As per last balance sheet	983.81	1,238.62
Add: Provided during the year	424.46	983.81
Less: Paid during the year	983.81	1,238.62
Sub total (C)	424.46	983.81
TOTAL (A+B+C)	668.04	1,212.46

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

NOTE NO. 10: PROPERTY, PLANT AND EQUIPMENT:TANGIBLE ASSETS

(Rs. in Lac)

Particulars	Gross				Depreciation				Net carrying amount 31.03.2024
	Opening balance	Additions- for the year	Disposals / Written off. for the year	Closing balance	Opening balance	For the year	On Disposal for the year	Closing balance	
Land (A)	2,064.26	-	-	2,064.26	-	-	-	-	2,064.26
Buildings (B)	2,478.62	265.10	-	2,743.72	1,232.00	104.03	-	1,336.03	1,407.69
Plant & Equipment	14,151.45	5,259.15	290.03	19,120.57	8,109.61	456.95	219.29	8,347.27	10,773.30
Furniture & Fixtures	283.57	9.43	-	293.00	228.58	9.42	-	238.00	55.00
Vehicles (C)	185.67	7.79	1.60	191.86	113.88	12.91	1.52	125.27	66.59
Office equipment	281.18	26.39	1.79	305.78	222.21	23.23	1.48	243.96	61.82
Water supply & drainage	62.04	11.25	-	73.29	56.33	1.92	-	58.25	15.04
Others	20.74	-	-	20.74	19.90	-	-	19.90	0.84
TOTAL	19,527.53	5,579.11	293.42	24,813.22	9,982.51	608.46	222.29	10,368.68	14,444.54
Previous year	18,005.58	2,507.26	985.31	19,527.53	10,398.74	469.18	885.41	9,982.51	9,545.02

Foot-notes:-

- (A) Company's Land at Modinagar & Meerut was revalued as at 31st March, 1992 at Current Replacement Cost on the basis of valuation report. The appreciation on revaluation Rs. 924.66 Lac was credited to the Revaluation Reserve. The Land was previously revalued as on 31st March 1985 and the appreciation of Rs. 1087.85 Lac on such revaluation also stands credited to the Revaluation Reserve.
- (B) Includes a sum of Rs. 96.58 Lac (Previous year Rs. 96.58 Lac) towards permanent improvement to the rented properties.
- (C) Includes Three (Previous year Three) cars costing Rs. 37.56 Lac (Previous year Rs. 37.56 Lac) WDV Rs. 4.65 Lac (Previous year Rs. 7.18 Lac) purchased in the name of Employees who have given disclaimer in favour of the Company.
- (D) Excludes depreciation on loose tools Rs. 0.03 Lac (Previous year Rs. 0.03 Lac) and Rs. 42.98 Lac (Previous year Rs. 37.55 Lac) on additions to assets of Steel Unit.
- (E) Details of Land & Building given on operating lease has not been disclosed separately.

NOTE NO. 11: INTANGIBLE ASSETS

(Rs. in Lac)

Particulars	Gross				Depreciation				Net carrying amount 31.03.2024
	Opening balance	Additions	Disposals / Written off. For the year	Closing balance	Opening balance	For the year	For five years	Closing balance	
Computer software	63.80	-	-	63.80	61.57	1.32	-	62.89	0.91
TOTAL	63.80	-	-	63.80	61.57	1.32	-	62.89	0.91
Previous year	63.55	0.25	-	63.80	60.25	1.32	-	61.57	2.23



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

NOTE NO. 11(A): CAPITAL WORK IN PROGRESS

(Rs. in Lac)

Particulars	Opening balance	Additions	Capitalized during the year	Net carrying amount 31.03.2024
Machinery	973.06	2,264.60	3,128.66	109.00
Buildings	0.11	3.85	-	3.96
TOTAL	973.17	2,268.45	3,128.66	112.96
Previous year	306.44	1,040.26	373.53	973.17

Note: Refer Note No.27 35(c) for ageing and other disclosures of capital work in progress.

NOTE NO. 12: NON CURRENT INVESTMENTS

(Rs. in Lac)

Particulars	As at 31 March 2024	As at 31 March 2023
Trade investments	-	-
Other investments		
Unquoted:-		
10,50,000 No. of fully paid-up shares of Rs. 10/-each in Indofil Industries Limited	437.43	437.43
Quoted:-		
7,00,000 No. of fully paid-up shares of Rs. 10/-each in Modipon limited. {Refer Note No. 27(8)}	20.00	20.00
19,99,960 No. of fully paid-up shares of Rs. 10/-each in Bihar Sponge Iron Limited.	200.00	200.00
Less: Provision for Diminution in value of Shares	-	(30.20)
8,00,000 No. of fully paid-up shares of Rs. 10/-each in Modi Rubber Limited. (Refer Foot Note No. 5)	80.00	80.00
62,755 No. of fully paid-up shares of Rs. 10/-each in Lord Chloro Alkali Limited	6.28	6.28
4 No. of fully paid-up shares of Rs. 10/-each in Mukund Limited.	0.01	0.01
(b) Investment in preference shares:- (quoted)		
1 No. of uly-paid preference Share of Rs. 10/- each in Mukund Limited	-	-
TOTAL	743.72	713.52

Foot Notes:

(1)	Carrying amount of quoted investments	306.29	276.09
(2)	Market value of quoted investments	1,335.55	949.57
(3)	Carrying amount of unquoted investments	437.43	437.43
(4)	Aggregate provision for diminution in value of investments	-	30.20
(5)	Physical certificate of equity shares was lost in transit during the previous year and the company has applied for issuing of securities in dematerialized form before the MAS service limited (RTA of Modi Rubber Limited) which has been acknowledged by the RTA. However, these equity share are still pending for dematerialition due to certain reasons.		

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

NOTE NO. 13: LONG TERM LOANS AND ADVANCES

(Rs. in Lac)

Particulars	As at 31 March 2024	As at 31 March 2023
Capital advances (Unsecured considered good)	127.88	145.94
Doubtful	-	-
Less: Allowances for doubtful Amounts)	-	-
Other Loans and Advances:- (Unsecured, considered good)		
(a) Prepaid expenses	-	-
(b) Amount recoverable	11.40	11.40
(c) Loans to employees	-	-
(d) Loans to others	-	-
TOTAL	139.28	157.34

NOTE NO.13A: -OTHER NON CURRENT ASSETS

(Rs. in Lac)

Particulars	As at 31 March 2024	As at 31 March 2023
Security Deposits:		
-Secured considered good	-	-
-Unsecured considered good	211.68	194.25
-Doubtful	33.86	33.86
Less: Provision for doubtful deposits	(33.86)	(33.86)
Other non current Assets	-	-
TOTAL	211.68	194.25

NOTE NO.14: INVENTORIES

(Rs. in Lac)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Raw materials	1,104.88	1,207.21
(b) Raw materials (in transit)	763.01	541.47
(c) Work-in-progress	530.17	458.21
(d) Finished Goods	12,321.91	13,184.13
(e) Stock-in-trade	72.65	18.93
(f) Stores and spare parts	2,208.74	1,783.39
(g) Loose tools	0.28	0.31
TOTAL	17,001.64	17,193.65

Refer Note No. 27 (4)(f)(viii) for Steel Unit inventories.



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

NOTE NO. 15 TRADE RECEIVABLES

(Rs. in Lac)

Particulars	As at 31 March 2024	As at 31 March 2023
Undisputed Trade receivable		
(i) Considered good	31,011.64	24,007.12
(ii) Considered Doubtful	2,169.98	2,362.67
Less:-		
Allowance for bad and doubtful amounts	(2,169.98)	(2,362.67)
(iii) Unbilled Revenue	120.12	102.32
Disputed Trade receivable		
(iv) Considered good	-	-
(v) Considered Doubtful	100.35	79.23
Less:-		
Allowance for bad and doubtful amounts	(100.35)	(79.23)
TOTAL	31,131.76	24,109.44

Note: Refer Note No 27 (35) (a) for Ageing of trade receivables

NOTE NO. 16 CASH AND BANK BALANCES

(Rs. in Lac)

Particulars	As at 31 March 2024	As at 31 March 2023
(i) Cash and cash equivalents:-		
(a) Balances with banks:		
-In Current Accounts	3,312.50	921.32
(b) Cheques, drafts on hand	15.62	15.62
(c) Cash on hand	7.04	9.72
(d) Others:-		
-Postage imprest & stamps in hand	-	-
TOTAL	3,335.16	946.66
(ii) Other bank balances:-		
(a) Earmarked balance with banks/post office:-		
-Saving account (molasses storage fund)	0.38	0.38
-Fixed deposits (molasses storage fund)*	29.13	58.25
(b) Fixed deposits with banks (Pledged with Excise/Sales Tax/ PF Authorities)	129.41	150.60
(c) Balance with banks held as margin money against guarantees	158.99	151.71
(d) Bank deposits with upto 12 months maturity	23.59	23.28
(e) Bank deposits with more than 12 months maturity	10.00	-
(f) Deposits with Banks in-no lien accounts {(Note No. 27(23)}	88.89	86.56
TOTAL	440.39	470.78

*These FDR's are in the joint name of Modi Sugar Mills and Sub Inspector, Molasses Excise.



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

NOTE NO. 17 SHORT-TERM LOANS AND ADVANCES

(Rs. in Lac)

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Loans and advances to related parties:-		
(i) -Secured considered good	-	-
(ii) -Unsecured considered good		
-Win Medicare Pvt. Ltd.	0.23	0.10
(iii) -Doubtful		
-Modi Senator Pvt. Ltd.	0.85	0.85
- Technicast Engineers Ltd.	0.51	0.51
Less: Allowance for doubtful amounts	(1.36)	(1.36)
(b) Others (unsecured, considered good):-		
(i) Unutilized balances of CENVAT/ VAT/ GST	74.98	140.97
(ii) Tax deducted at Source	0.02	0.51
(iii) Loans & Advances to employees	11.11	14.71
(iv) Prepaid expenses	448.62	469.66
(v) Amount recoverable	74.52	63.48
(vi) Deposits with excise / sales tax authorities	1,735.10	3,158.58
(vii) Others	375.27	498.51
(viii) State excise duty recoverable from customers {Refer Note No.27(8)}	1,688.82	113.19
(c) Others (doubtful):-		
(i) Loans & Advances to employees	-	-
(ii) Amount recoverable	11.61	13.10
(iii) Others	118.14	118.27
Less: Allowance for doubtful amounts	(129.75)	(131.37)
TOTAL	4,408.67	4,459.71

NOTE NO. 18 OTHER CURRENT ASSETS

(Rs. in Lac)

Particulars	As at 31 March 2024	As at 31 March 2023
Tax deducted at source	472.58	211.95
Tax collected at source	-	-
Income Tax adjusted against Penalty	30.00	30.00
Less :- Allowance for Doubtful	(30.00)	(30.00)
Interest accrued on fixed deposits with banks	37.38	26.58
Amount recoverable	3.70	3.70
Deferred revenue expenditure	11.07	11.07
Inventory held for sales *	14.20	15.19
Security Deposits:		
-Secured considered good	-	-
-Unsecured Considered good	292.07	255.97
-Doubtful	25.50	25.50
Less: Allowance for doubtful	(25.50)	(25.50)
TOTAL	831.00	524.46

*Net value of inventory of closed Units.



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

NOTE NO. 19: REVENUE FROM OPERATIONS

(Rs. in Lac)

Particulars	For the Year ended 31.03.2024	For the Year ended 31.03.2023
Sale of products	1,74,477.66	1,36,397.97
Sale of services/Export Entitlement	1,307.39	1,660.66
<u>Other operating revenue:</u>		
Rental Income	1,149.22	1,105.62
Others	56.54	16.09
TOTAL	1,76,990.81	1,39,180.34

NOTE NO. 20: OTHER INCOME

(Rs. in Lac)

Particulars	For the Year ended 31.03.2024	For the Year ended 31.03.2023
Interest income	27.80	54.26
Interest on Income Tax Refund	6.87	6.21
Dividend received (gross)	105.00	42.00
Depreciation Written Back	0.05	0.27
Profit on sale of fixed assets	15.33	179.75
Profit on disposal of Inventories held for sale	-	-
Excess provision written back	61.18	68.02
Reversal of provision for diminution in value of investment	30.20	-
Unclaimed Credit Balances W/Back	29.85	185.95
Amount Written Back	28.42	11.54
Sale of Opening Obsolete Inventory {Refer Note No. 27(4)(f)(viii)}	-	265.74
Foreign Currency fluctuation gain (Net)	3.75	36.83
Sale of Waste & Scrap	139.26	117.52
Sale of inventory held in other current assets	0.90	21.63
Miscellaneous Income	325.80	399.91
TOTAL	774.41	1,389.63

NOTE NO. 21 CHANGE IN INVENTORIES OF FINISHED GOODS , WORK-IN-PROGRESS AND STOCK-IN-TRADE

(Rs. in Lac)

Particulars	For the Year ended 31.03.2024	For the Year ended 31.03.2023
(A) Finished goods		
Opening stock	12,473.11	11,833.84
Less: State Excise duty adjustment on Opening stock {Refer Note No. 27 (8)}	-	1,536.83
Less: Closing stock	11,553.76	12,473.11
Sub Total (A)	919.35	(2,176.10)

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

NOTE NO. 21 (CONTD.)

(Rs. in Lac)

Particulars	For the Year ended 31.03.2024	For the Year ended 31.03.2023
(B) Stock in trade		
Opening stock	18.93	2.28
Less: Closing stock	72.65	18.93
Sub Total (B)	(53.72)	(16.65)
(C) Goods in process		
Opening stock	458.21	391.49
Less: Closing stock	530.17	458.21
Sub Total (C)	(71.96)	(66.72)
(D) By Product		
Opening stock	711.02	851.25
Less: Closing stock	768.15	711.02
Sub Total (D)	(57.13)	140.23
Net (Increase) / Decrease in Stock (A+B+C+D)	736.54	(2,119.24)

NOTE NO. 22 EMPLOYEE BENEFITS EXPENSES

(Rs. in Lac)

Particulars	For the Year ended 31.03.2024	For the Year ended 31.03.2023
Salary, wages, gratuity & other allowances	5,006.38	4,555.06
Contribution to provident and other funds	219.79	234.48
Staff welfare expenses	146.85	166.00
TOTAL	5,373.02	4,955.54

NOTE NO. 23 FINANCE COSTS

(Rs. in Lac)

Particulars	For the Year ended 31.03.2024	For the Year ended 31.03.2023
(a) Interest expenses:- {Note Nos. 27(4)(f)(i) & (ii), 27(5) and 27(18)}		
(i) On borrowings	2,712.37	1,450.84
(ii) On statutory dues	69.87	64.55
(iii) On security deposits	428.35	427.29
(iv) On car loans taken by employees	-	0.03
(v) On others	1.90	1.73
(b) Other borrowing costs	-	-
(c) Net gain/loss on foreign currency transactions and translation	-	-
TOTAL	3,212.49	1,944.44



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

NOTE NO. 24: OTHER EXPENSES

(Rs. in Lac)

Particulars	For the Year ended 31.03.2024	For the Year ended 31.03.2023
Consumption of stores & spare parts	2,113.94	2,001.95
Consumption of packing materials	12,044.13	11,984.26
Power & fuel	483.71	423.11
Repairs to machinery	2,416.25	2,422.83
Repairs to building	381.60	235.86
Repairs & Maintenance (Others)	158.53	89.33
Lease rent/Rent	152.18	153.06
Rates & taxes	959.39	891.27
Excise duty on stock	(744.19)	1,231.85
Opening finished goods stock charged to Revenue {Refer Note No.27(4)(f)(viii)}	-	70.37
Insurance	87.23	77.07
Liabilities written back now paid	1.21	-
Auditor's remuneration (see foot-note below)	32.12	33.49
Loss on sale of fixed assets	27.83	-
Loss on sale of Stores	0.39	-
Stores Written Off	0.88	67.81
Less: Adjustment of provision for obsolete stores	-	(67.81)
Inventory held for Sale written off	-	-
Charity & Donations	18.17	6.46
Bad debts written-off	-	8.38
Less : Adjustment of provision for doubtful trade receivables	-	(8.38)
Claims / amounts written-off	2.99	151.64
Less : Adjustment of provision for doubtful	-	(12.45)
Fixed Assets written off	-	-
Provision for obsolete spare-parts & stores	-	36.75
Provision for doubtful debts, advances and Security Deposits	21.33	378.42
Provision for diminution in value of investments	-	0.20
Freight/ transport & forwarding	1,747.44	1,464.96
Commission to selling agents	8,455.87	2,787.75
Wages to Contractor	-	189.33
Discount & sale promotion	5,840.12	4,925.98
Advertisement expenses	126.65	6.91
Travelling expenses	414.00	346.59
Ground Water Restoration Expenses	5.00	22.50
Legal & professional charges	593.07	234.71
Licence Fee {Refer Note No. 27(16)}	17,715.22	13,758.36
Retainership Expenses	381.90	363.22
Other general expenses	566.51	441.75
TOTAL	54,003.47	44,717.53

Particulars	For the Year ended 31.03.2024	For the Year ended 31.03.2023
NOTE:		
Auditor's remuneration:-		
(a) As auditor	12.99	16.52
(b) Tax Audit Fee	11.05	11.05
(c) Certification Fee	6.37	4.31
(d) Reimbursement of expenses	1.71	1.61
TOTAL	32.12	33.49

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

NOTE NO.25

Earnings per Share (EPS) basic and diluted, computed in accordance with Accounting Standard-20:

Particulars	(Rs. in Lac)	
	2023-24	2022-23
Profit for the year as per Standalone Financial statements (A)	253.22	1109.80
Number of Equity Shares issued (B)	33,09,214	33,09,214
Earning per share (in Rs.) (A)/(B)	7.65	33.54
Face Value of Equity Share in Rupees	10	10

NOTE NO. 26. ACCOUNTING POLICIES:

(1) INVENTORY VALUATION

- (a) Stocks of raw materials and stores and spares are valued at weighted/moving average cost. (Net of input tax credit) or net realizable value whichever is less.
- (b) Loose tools are valued at depreciated cost.
- (c) Cost of machinery spares, which can be used only in connection with an item of Property, Plant & Equipment and whose use is expected to be irregular, are charged to revenue over useful life of the principal item.
- (d) Goods-in-transit are valued at cost.
- (e) Finished goods/Goods-in-Process are valued at lower of cost and net realisable value except by-product i.e. molasses which is valued at net realizable value. Cost inter-alia, includes direct cost, depreciation, state excise duty, lease rentals and factory overheads but excludes general administration and selling expenses, Corporate Office administration expenses and Interest. The closing stocks out of inter divisional transfer of goods, is being treated as finished goods instead of raw materials / stores and valued accordingly.

(2) PROPERTY, PLANT AND EQUIPMENTS

- (i) Major improvements to Property, Plant and Equipments that increases the future benefits from the existing assets beyond its previously assessed standard of performance is included in the gross block and is depreciated over the remaining/ reassessed life of the original assets.
- (ii) Financing cost (upto the date the assets are ready to be put to use for commercial production) relating to borrowed funds attributable to acquisition or construction of Property, Plant and Equipments are included in the gross book value of Property, Plant and Equipments to which they relate.

(3) DEPRECIATION

- (a) Depreciation on Plant & Machinery is provided on Straight Line Method except in Corporate Office and Electrode. In respect of other assets including Office Equipments, depreciation is provided on Written Down Value Method in all units except Sugar and Steel Units where it is provided on Straight Line Method.
- (b) Depreciation on additions/deletions is charged on prorata basis and in accordance with Schedule II of the Companies Act, 2013.
- (c) Depreciation on assets costing upto Rs.5,000/- has been fully depreciated in the year of purchase.
- (d) Depreciation on tangible fixed assets is charged on WDV method in Electrode Unit based on technical study. The estimated useful life of building was assessed at 25 years and accordingly depreciated over its useful life.



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

(4) INTANGIBLE ASSETS:

Intangible assets are stated at cost of acquisition less accumulated amortization. Computer Software is amortized over a period of five years.

(5) REVENUE RECOGNITION:

- (i) Export incentives under the duty entitlement pass book scheme is recognized on accrual basis.
- (ii) Revenue arising by use of Company's properties by others yielding rent is recognized when no significant uncertainty as to measurability or collectability exists.
- (iii) Sale of goods is recognized at the point of dispatch of goods to customers.
- (iv) Revenue from construction contract for real estate: When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs associated with the construction contract recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the reporting date.

(6) INVESTMENTS:

Long-term investments are valued at cost less provision for diminution, other than temporary, in the value of investments.

(7) RETIREMENT BENEFITS:

- (a) Contribution to Provident Fund is made at a predetermined rate to the Provident Fund Trust and charged to the Statement of Profit and Loss on accrual basis.
- (b) Gratuity Liability is accounted for on accrual basis, computed actuarially, except for Steel Unit upto 31st March, 2002 which is accounted for on cash basis.
- (c) Leave encashment is accounted for on accrual basis, computed actuarially.

(8) OPERATING LEASE:

Lease payments under an operating lease are recognized as an expense in Statement of Profit and Loss on a straight-line basis over the lease term.

NOTE NO. 27. CONTINGENT LIABILITIES AND OTHER NOTES:

Particulars	(Rs. in Lac)	
	As at 31.03.2024	As at 31.03.2023
1. (a) Claims against the Company not acknowledged as debts:		
i) Workmen (excluding unascertainable amounts)	466.46	505.89
ii) Late Payment Surcharge	302.66	302.66
iii) ESI Contribution	74.04	72.87
iv) Others	209.98	209.98
(b) Bills discounted	148.59	981.99
(c) Disputed Liability for Excise-duty, Sales-tax, Entry-tax matters, House Tax & Water Tax and liquidated damages on Provident Fund dues {excluding interest unascertainable and undisputed Sales Tax/ penalty demands (net of provision made of Rs. 62.21 Lac) of Rs. 175.24 Lac}.	1596.13	1546.67
(d) Disputed Liability for Income Tax	186.33	-
(e) VAT and Sales Tax demands raised through ex-parte orders and the re-opening application are pending before authorities.	#23626.29	24338.53

#Excludes VAT and Central Sales Tax ex-parte demands of Rs. 40,514.29 Lac (Previous year Rs.17,292.06 Lac for the years 2015-16, 2017-18 and 2018-19) for the years 2014-15, 2015-16, 2016-17, 2018-19 & 2019-20 which have been remanded back to AO by Appellate Authority to pass orders afresh.

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

2. Estimated amounts of contracts remaining to be executed on Capital Account Rs. 400.59 Lac (Previous Year Rs. 1681.30 Lac).
3. The Company had availed various term loans from IDBI, IFCI, ICICI, PNB, LIC, GIC and its subsidiaries against the security of its movable/immovable assets prior to 1989 and towards compliance of the terms and conditions imposed by the said Banks and Financial Institutions, the Managing Directors / Promoters of the company had executed undertakings for non-disposal of their respective shares (including the shares to be acquired in future) of Modi Industries Limited (MIL) held by Promoters (including their group / associate companies / affiliates / assignees / legal heirs).

On account of heavy losses incurred by the MIL, MIL could not repay the said loans and was declared sick in terms of provisions of SICA, 1985.

Thereafter, SBEC Bioenergy Ltd. and SBEC Sugar Ltd. settled and paid the dues of various Financial Institutions i.e., IDBI, IFCI and PNB by virtue of Registered Deed of Assignments. The said Assignments were subsequently transferred in favour of the SBEC Sugar Ltd. vide various Deeds of Assignments. By virtue of such Assignment Deeds, the said Non-Disposable Undertakings which were given in favour of IDBI, IFCI & PNB have stood automatically transferred in favour of SBEC Sugar Ltd.

At present SBEC Sugar Limited is the major secured creditor of the Company. Therefore, the Company has now undertaken that none of the assets of MIL shall be sold / alienated / transferred without the permission of SBEC Sugar Ltd. as long as the dues of SBEC Sugar Ltd. are payable and outstanding.

4. (a) The Steel Unit is lying closed since 24th January, 1993 due to strike/lock-out and thereafter closure was declared with effect from 24th November, 1993, as the Unit was found to be unviable. The Company has not been able to obtain access to the accounting, financial and production records of the unit necessary for updating the said books of accounts/compiling the data to prepare the annual accounts as well as for finalizing the audit for the year ended 31st March, 1993. Transactions subsequent to the closure of the unit could not be incorporated in the annual accounts of 1992-93 and onwards in view of pending access to the earlier accounts viz., 1st April, 1992 to 24th January, 1993, the absence of which would leave the books still incomplete. However, the Statement of Profit and Loss for the current financial year 2023-24 and from 1993-94 to 2022-23 have been incorporated in current financial year and in various previous financial years respectively. As an interim measure, credit balance of Rs. 6169.48 Lac (Previous year credit balance of Rs.7420.64 Lac) have been clubbed with Current Liabilities of the Company as on 31st March, 2024 and 31st March, 2023 respectively as "Inter- Unit Balances" pending incorporation of (i) Annual Accounts for the period 1st April, 1992 to 31st March, 1993 and (ii) assets and liabilities including inter unit balances arising on account of transactions for the period 1st April, 1993 to 31st March, 2024.
- (b) The financial results for the year 1992-93 would be incorporated as soon as the Company is able to obtain access to/reconstruct the financial, accounting and production records. In the view of the above, disclosures as required by Accounting Standard 24 'Discontinuing operations' can't be made.
- (c) In view of above, as per past practice, the audited opening balances of Assets and Liabilities, quantitative details, contingent liabilities excluding old electricity dues and notes of the Steel Unit as on 1st April, 1992, subject to (i) reduction of unsecured loans taken by Rs. 278.95 Lac in view of write back on account of one-time settlement (O.T.S.) of dues with Hong Kong and Shanghai Banking Corporation Limited (HSBC) during the year 2004-05, and further reduction of Rs. 45.00 Lac on account of payment during 2005-06 of O.T.S. to H.S.B.C.;(ii) payment of loans of Rs.163.07 Lac and interest accrued thereon Rs.129.74 Lac of insurance companies appearing in books of Steel unit for settlement with these companies; (iii) Rs.421.97 Lac being transfer of secured loan and interest accrued on loan assigned by a financial institution to T.C. Healthcare Private Limited to Corporate office of the Company for settlement and payment of dues {Refer Note No. 27(10)} (iv) reduction of Property, Plant and Equipment (net) by Rs. 799.86 Lac being depreciation provided during 1993-94 to 2023-24 on Property, Plant & Equipment and reduction by Rs. 30.47 Lac being estimated WDV of assets sold and (v) reduction in opening inventory by Rs.1340.14 Lac Since 1992.



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

- (d) Assets and Liabilities of the Steel Unit incorporated in the Balance Sheet of the Company as on 31.03.2024 and 31.03.2023 are as under: (Rs. in Lac)

Liabilities	As at 31.3.2024	As at 31.3.2023	Assets	As at 31.3.2024	As at 31.3.2023
Secured Loans	2706.30	3128.27	Property, Plant and Equipments (Net)	403.64	403.64
Current Liabilities & Provisions	2838.28	2838.28	Investments	0.11	0.11
Accumulated Profits/(Losses) (net):	(2145.88)	(2079.87)	Current Assets & Advances:		
1993-94 to 2022-23- (2079.87)			Inventories {Refer Note 27(4)(f)(viii)}	-	-
2023-24- (66.01)			Sundry Debtors	1199.25	1199.25
			Cash and Bank Balances	150.78	150.78
			Loans and Advances	249.70	249.70
			Miscellaneous Expenditure (to the extent not written off or adjusted)	11.07	11.07
			Inter-unit Balances	596.93	1084.91
			Loss for the year 1991-92	787.22	787.22
Total	3398.70	3886.68	Total	3398.70	3886.68

- (e) Statement of Profit and Loss of the Steel Unit for the year ended 31st March, 2024 and 31st March, 2023 (excluding inter-unit rental income, job work income and expenses and inter-unit service expense) is as under: (Rs. in Lac)

Particulars	2023-24	2022-23
INCOME :		
Job Work Income	33.27	-
Rental Income	861.01	828.14
Other Services	14.33	15.49
Sale of opening inventory {See Note No.27(4)(f)(viii) below}	-	265.74
Profit on sale of Fixed Assets	-	34.70
Other Income	0.03	0.75
Amount Written Back	27.78	-
	936.42	1,144.82

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

Particulars	(Rs. in Lac)	
	2023-24	2022-23
EXPENDITURE:		
Employees Benefit Expenses	38.02	34.69
Finance Cost	645.57	670.68
Depreciation	42.98	37.55
Legal & Professional Expenses	28.87	6.72
Opening Stock charged to Revenue	-	70.37
{See Note No.27(4)(f)(vii) below}		
Other Expenses	215.57	133.95
Cost of material consumed	31.42	-
Total Expenditure	1002.43	953.96
Profit/(Loss) for the year	(66.01)	*190.86

* Profit from discontinuing operations Rs.230.07 Lac (excluding Rs.24.92 Lac of closed Paint & Gas Units and CAD)

- (f) The Profit and Loss Account/Statement of Profit and Loss of Steel Unit for the years 1993-94 to 2023-24 are subject to the following notes on accounts:
- (i) In view of non-availability of book balance of liabilities towards PNB, IDBI and IFCI in the books of Steel Unit of the Company on account of non-incorporation of annual accounts and balance sheets of Steel Unit {Refer Note 27 (4) (a to c) of Standalone Financial Statements}, the difference between OTS amounts and book balances could not be ascertained.
 - (ii) No provision of interest, amount unascertained, has been made on loans assigned by Bank and Financial Institutions to SBEC Sugar Limited ("SSL") as the Company proposes to enter into revised terms of payment of these secured debts with SSL.
 - (iii) The impact, if any, on account of non-availability and consequently non-incorporation of audited opening balances of assets and liabilities of the Steel Unit as on 1st April, 2023;
 - (iv) Non-provision of obsolete/damaged Property, Plant and Equipment in view of non-incorporation of earlier year's accounts and non-physical verification of Property, Plant & Equipment since the year 1989;
 - (v) Non-confirmation / reconciliation of balances of debtors, creditors, banks, financial institutions etc. and impact, if any, on the Statement of Profit and Loss;
 - (vi) Non-provision of doubtful debts and loans & advances, amount unascertained;
 - (vii) No provision has been made for Earned leave upto 1991-92, amount unascertained;
 - (viii) In view of non-incorporation of accounts of the Unit for the year 1992-93, subject to certain adjustments, the assets and liabilities of the unit continued to be incorporated as it is in the balance sheet of the Company since 31st March, 1993.

The Steel Unit has disposed of Scrap generated out of damaged and obsolete inventories etc. of more than 25 years old for a consideration of Rs. Nil during the year 2023-24 (upto 31st March, 2023 Rs.1,628.15Lac) and recognized revenue. Accordingly, in the absence of details of quantity and value of opening inventory appearing in the books of account, and the classification of scrap out of stocks or property, plant and equipment, the sale value of scrap realized during previous financial year 2022-23 of Rs. 320.57 Lac was bifurcated/appropriated on estimated basis into: (i) sale of opening stock



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

of inventory of Rs.265.74Lac having book value of Rs.70.37 Lac appearing in the balance sheet and treated as “opening finished goods stock” charged to revenue in the Note No. 24 of ‘Other Expenses’ (ii) Rs. 3.25 Lac treated as sale of building(sold as scrap) having WDV of Rs. 2.92Lac and (iii) Rs. 51.58 Lac treated as sale of Plant and machinery (sold as scrap) having WDV of Rs.17.22 Lac. No Impact of reduction of WDV on account of assets sold has been given in the financial statements of company for the period ended 31-03-2023 and 31-03-2024 as the balance sheets of the unit are not available for consolidation from the year 1992. The amount of WDV of assets sold is estimated at Rs. 30.47 Lac (upto 31st March 2023 Rs. 30.47 Lac).

- (g) (i) Modi Industries Ltd - Steel Section under its “Real Estate Division” is undertaking construction of a residential housing project named as “Umesh Park Phase-01” having Location at: Khasra No - 375, 376 Village - Sikri Khurd Main Road, Umesh Park, Modinagar, Distt. Ghaziabad (U.P.)-201204. Total area of the project land is 7610.86 Sq Meters.

Project is registered under UP RERA having registration No. UPRERAPRJ821313/02/2024 with validity from 24-02-2024 to 23-05-2028. Under this project, the Company plans to construct 2 Towers having 114 flats.

- (ii) Total Expenses incurred till 31.03.2024 under this project amounts to Rs. 420.69 Lac (excluding GST) details of which are as under:

Particulars	Rs. in Lac
UP RERA Fee	0.44
Project Consultancy Charges	38.20
Ghaziabad Development Authority(GDA) FEE	310.51
Other Charges (GDA Registration + Stamp duty)	6.72
Cost of Service (Water and Electricity)	13.05
Cost of Material Purchased	24.41
Other Expenses Related to Project	27.36
TOTAL	420.69

These expenses incurred till March 31, 2024 have been treated as ‘work in progress’ as on March 31, 2024 and recognition of revenue and expenses will be accounted for in the “Statement of Profit and Loss” as per policy No. 26(5)(iv). No revenue is recognized during the current year as the contract is at its initial stage and revenue from contract is yet to be decided / quantified.

- (iii) Assets and Liabilities as on March 31, 2024 are not included in Company’s Balance Sheet as on March 31, 2024 in view of facts stated in Note No. 27(4) above.
- (iv) 1,522.48 Sq meters land Area (20% of Total Area of 7,610.86 Sq Meters) has been mortgaged with GDA as security towards Internal Development Work.

5. With respect to the assignment of debts

- (a) During the year 2006-07, an agreement dated 22nd January, 2007 for One Time Settlement (OTS) of dues of Punjab National Bank (PNB) was entered into between the Company, PNB, Shri U.K. Modi (as Guarantor) and SBEC Sugar Limited (SSL), on the terms as contained in the PNB’s Letter dated 28th September, 2006. Under the said agreement, PNB has agreed to assign all its claims against Steel Unit of the Company together with all securities and charges created by the Company to SSL on payment of full settlement amount of Rs. 2810.60 Lac together with interest. SSL made full payment to PNB of the settlement amount together with interest. PNB thereafter executed a Deed of Assignment on

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

15th May, 2012 in favour of SSL by which PNB assigned all its claims together with all securities and charges created by the Company in its favour to SSL. The Registrar of Companies has registered the modification to the charges in favour of SSL. The debts of MIL which was assigned to SSL had been further assigned to SBEC Bioenergy Limited (SBEL) on 31st December, 2012. Thereafter, in the month of June, 2018, SBEC Bioenergy Limited assigned the entire debt of Modi Industries Limited in favour of SBEC Sugar Limited (SSL) vide registered Deed of Assignment dated 6th June, 2018. In view of the above, the secured debt is now payable by the Company to SSL. The Company is in process of taking steps for negotiating and entering into One Time Settlement (OTS) with SSL. The impact of the said settlement will be taken at the time of final settlement.

- (b) With reference to the Company's liabilities to IDBI Limited, a settlement agreement was concluded between the Company, IDBI Limited and SBEC Bio Energy Limited (SBEL) on 6th October, 2007. This settlement agreement was in terms of IDBI's letter dated 9th February, 2007. Under the said agreement, IDBI agreed to assign its entire debt due and payable by the Company to SBEL subject to SBEL paying to IDBI its OTS claim amount of Rs.1,232.20 Lac. Acting on the said agreement, SBEL made a payment of Rs.1,232.20 Lac to IDBI together with interest. The said payment to IDBI of Rs.1,232.20 Lac along with interest was completed on 6th October 2007. IDBI has executed a Deed of Assignment on 5th March, 2018 in favour of SBEL by which IDBI assigned all its claims together with all securities and charges created by the Company in its favour to SBEL. The Registrar of Companies has registered the modification to the charges in favour of SBEL. Thereafter, in the month of June, 2018, SBEC Bioenergy Limited assigned the entire IDBI's debt of Modi Industries Limited in favour of SBEC Sugar Limited (SSL) vide registered Deed of Assignment dated 12th June, 2018. The said debt is now payable by this Company to SSL. The Company is in process of taking steps for negotiating and entering into One Time Settlement (OTS) with SSL. The impact of the said settlement will be taken at the time of final settlement.
- (c) With reference to this Company's liabilities to IFCI Limited, a settlement agreement dated 30th December, 2009 was concluded between this Company, IFCI Limited and SBEC Bio-Energy Limited (SBEL). This settlement agreement was in terms of IFCI's letter dated 30th December, 2009. Under the said settlement agreement, IFCI agreed to assign to SBEL its entire debt as due and payable by this Company to it subject to SBEL paying to IFCI its OTS claim of Rs.775.00 Lac. Acting on the said settlement agreement, SBEL made a payment of Rs.775.00 Lac to IFCI on 30th December, 2009 and in consideration thereof IFCI Limited executed a Deed of Assignment dated 19th April, 2012 and assigned its all claims against this Company together with the securities and charges in favour of SBEL. The Registrar of Companies has registered the modification to the charges in favour of SBEL. Thereafter, in the month of June, 2018, SBEC Bioenergy Limited assigned the entire IFCI's debt of Modi Industries Limited in favour of SBEC Sugar Limited (SSL) vide registered Deed of Assignment dated 12th June, 2018. The said secured debt is payable by this Company to SSL. The Company is in process of taking steps for negotiating and entering into One Time Settlement (OTS) with SSL. The impact of the said settlement will be taken at the time of final settlement.

6. (i) **Settlement arrived between both the Managing Directors:**

The Managing Directors of the Company (i.e., Shri Umesh Kumar Modi and Shri Mahendra Kumar Modi) were embroiled in multiple litigations over 30 years and because of the same, major brunt has been faced by the Company as the said inter-se dispute between them led to the inability of the Company to set up new business or revive or rehabilitate the existing units. The Company was also unable to utilize its non-core assets to clear its liabilities and it even failed to avail credit facilities, which were announced by the Central / State Government from time to time to aid the rehabilitation of the Company. This led to a grave situation over a period of years wherein the liability of the Company kept on increasing due to ever piling interest rates.



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

The 6 (six) units under the control and management of Shri Mahendra Kumar Modi, gradually shut down starting from the year 1995 and the last 2 (two) units i.e. Paint & Electrode unit also closed down in the year 2016. The liabilities of entire Company (i.e., including the 6 units which were previously under the control of Shri Mahendra Kumar Modi) are being paid by the units under the control of Shri Umesh Kumar Modi in order to save the Company from going into liquidation.

The Company prior to the above stated settlement had huge outstanding liabilities towards various Creditors (including banks / Financial Institutions) who had even initiated / threatened to initiate action under the Insolvency & Bankruptcy Code, 2016 and / or Recovery of Debts and Bankruptcy Act, 1993 and / or Securitization and Reconstruction of Financial Assets and Enforcement of Security Interests Act, 2002, repercussions whereof are irreversible and there was an immediate need to liquidate the dues of all the creditors of the Company (including banks / Financial Institutions). The liabilities of the Company were mounting as a whole and apart from the increasing pressure of the Creditors (including banks / Financial Institutions), there were constant dharnas by laborer's / workers (of the 6 units managed by Shri Mahendra Kumar Modi) for liquidation of their outstanding dues as well.

If the above was not enough, to make situation worse, there was constant pressure from the State Government, Uttar Pradesh for timely payment of the dues of the Sugarcane Farmers, therefore, it was becoming imperative and urgent to find a holistic solution once and for all so as to ensure that the Company remains as a going concern.

In view of the aforementioned circumstances, a settlement was arrived between Shri Umesh Kumar Modi and Shri Mahendra Kumar Modi with the assistance, support and intervention from the State Government of Uttar Pradesh, who played an important role in the resolving and settling the inter-se dispute between Shri Umesh Kumar Modi and Shri Mahendra Kumar Modi since there was a constant threat of insolvency surrounding the Company and the fact that 6 units managed by Shri Mahendra Kumar Modi were closed and the liabilities of the Company were also mounting, coupled with the fact that Shri Mahendra Kumar Modi was unable to restart / revive the operation of the 6 units or pay the liabilities / dues of the 6 units. Needless to add here that the decision for settlement on the inter-se disputes was taken in the larger interest of Company, its Shareholders and last but not the least in the interest of labour / workers (who were left without any work simply because of closure of 6 units of the Company). Post the settlement, Shri Mahendra Kumar Modi has resigned from the post of Managing Director/Director of the Company on 09.09.2020 and transferred all the shares held by him, his family members and group companies in favour of Shri Umesh Kumar Modi.

Shri Umesh Kumar Modi has been successfully managing the affairs of the Company for the last four decades. Additionally, for the last few years, Shri Umesh Kumar Modi has by himself ensured the survival of the Company exclusively as the other six units of the company which were under the control of Shri Mahendra Kumar Modi were permanently closed down. Upon tendering the resignation by Shri Mahendra Kumar Modi, the Board by virtue of a circular resolution dated 09.09.2020, made Shri Umesh Kumar Modi in charge of affairs of all the nine (9) units (including the management and control of the six (6) units which were previously under the control and management of Shri Mahendra Kumar Modi) as well as the corporate office of the Company which was subsequently confirmed by the Board in its meeting dated 05.10.2020. The Board also appointed Shri Umesh Kumar Modi as Chairman of the Company in its meeting dated 05.10.2020.

(ii) **Revival of Electrode unit of the Company and payment of outstanding dues of the labour of the six (6) units of the Company**

Pursuant to settlement arrived between Shri Umesh Kumar Modi and Shri Mahendra Kumar Modi, all the earnest efforts are being made by Shri Umesh Kumar Modi for the revival of closed units of the Company. The Company has incurred approximately Rs.1500 Lac to restart and revive the closed Electrode Unit and the Unit has restarted its production w.e.f. 25.10.2021.

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

Further, the Company has started the process of clearing the outstanding dues of the labour / employees / workers of the closed six (6) units and paid an amount of Rs.412 Lac towards the outstanding dues of the labour / employees / workers.

(iii) **Withdrawal of the cases / complaints filed by Shri Mahendra Kumar Modi against the company as well as other Directors**

Pursuant to the settlement arrived between Shri Umesh Kumar Modi and Shri Mahendra Kumar Modi, the complaints / proceedings/cases instituted by Shri Mahendra Kumar Modi against the company and its Directors before various courts / tribunals / authorities including and not limited to proceedings instituted before the Hon'ble Supreme Court of India, Hon'ble Delhi High Court, Securities & Exchange Board of India, National Stock Exchange of India, Registrar of Companies etc. were withdrawn.

(iv) **Application filed by Shri Devendra Kumar Modi before the Hon'ble Delhi High Court inter-alia seeking stay on sale of assets of the Company**

Immediately after the settlement arrived between Shri Umesh Kumar Modi and Shri Mahendra Kumar Modi in September 2020, Shri Devendra Kumar Modi filed 2 (two) interim applications under Order 39, Rule (1) & (2) of CPC, 1908 being I.A. 8156 / 2020 & I.A. 9457 /2020 in his pending civil suit i.e. CS (OS) 991 / 2009 titled as DK Modi vs. YK Modi & Ors. before the Hon'ble Delhi High Court (on 11.09.2020 & 03.10.2020 respectively) inter-alia, praying for certain ad-interim reliefs, however, till date no such relief has been granted and merely notice was issued on the said two applications vide order dated 24.11.2020. The said applications are still pending adjudication before the Hon'ble Delhi High Court. Among various reliefs sought by Shri Devendra Kumar Modi in the said two applications, few critical reliefs are as follows:

- (a) Stay the inter-se settlement between Shri Umesh Kumar Modi and Shri Mahendra Kumar Modi;
- (b) Stay the sale of assets of Modi Industries Ltd.;
- (c) Appoint Shri Devendra Kumar Modi on the Board of Modi Industries Ltd.;

Imperatively, since no ad-interim relief was granted in favour of Shri Devendra Kumar Modi as was prayed in the above mentioned 2 interim applications, Shri Devendra Kumar Modi had also filed an appeal (being FAO (OS) 5 of 2021) before the Ld. Division Bench of the Delhi High Court, inter-alia, assailing the order dated 24.11.2020 passed by the Ld. Single Judge, whereby, no interim relief as prayed by Shri Devendra Kumar Modi was granted to him. The Ld. Division Bench vide order dated 18.02.2021 dismissed the appeal filed by Shri Devendra Kumar Modi without granting any interim relief. It may also be relevant to point out that the Ld. Division Bench permitted Shri Devendra Kumar Modi to move an application for preponement of hearing in his civil suit being CS (OS) No. 991 of 2009, however, no such steps were taken by Shri Devendra Kumar Modi.

Since Shri Devendra Kumar Modi was not able to procure any relief in the above mentioned proceedings before the Hon'ble Delhi High Court, he also filed a contempt petition before the Hon'ble Supreme Court of India being Cont. Pet. (C) No. 660-662 of 2020 titled as DK Modi vs. MK Modi & UK Modi. The entire premise of the petition filed by Shri Devendra Kumar Modi was that both Shri Umesh Kumar Modi and Shri Mahendra Kumar Modi have committed contempt of the court and violated the order dated 27.08.2010 (passed in SLP No. 23095-97 of 2010 titled as MK Modi vs. UK Modi & Ors.) by entering into an inter-se settlement amongst themselves. It is noteworthy to mention that the said order dated 27.08.2010 was passed by the Hon'ble Supreme Court of India pursuant to the prayer made by Shri Mahendra Kumar Modi to protect his interest in the Company who during the said period was apprehending that he will be ousted from the Company. The said order was only passed at the instance and prayer of Shri. M.K. Modi. Imperatively, the said order dated 27.08.2010 has nothing to do with Shri Devendra Kumar Modi as he was neither on the Board of the Company ever prior to the said order nor was he on the Board after the said order.



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

The Hon'ble Supreme Court vide its order dated 15.12.2020 issued ex-parte notice in the said petition filed by Shri Devendra Kumar Modi. Pursuant to the notice issued by the Hon'ble Supreme Court of India, both Shri Umesh Kumar Modi and Shri Mahendra Kumar Modi filed their respective Counter Affidavits to the petition filed by the Shri Devendra Kumar Modi.

Furthermore, in the SLP No. 23095-97 of 2010 titled as MK Modi vs. UK Modi & Ors., Shri Mahendra Kumar Modi had also filed an application for withdrawal of the said SLP in view of the settlement arrived between Shri Umesh Kumar Modi and Shri Mahendra Kumar Modi.

In the contempt petition filed by Shri Devendra Kumar Modi, similar prayers were sought (apart from the prayer for initiation of Contempt proceedings) as were sought previously in the 2 (two) interim applications under Order 39, Rule (1) & (2) of CPC, 1908 being I.A. 8156 / 2020 & I.A. 9457 / 2020 in the pending civil suit being CS (OS) 991 / 2009. Shri Umesh Kumar Modi thereafter filed an application (being I.A. 704/2021) before the Hon'ble Delhi High Court in the pending civil suit filed by Shri Devendra Kumar Modi, inter alia, to bring this fact on record that Shri Devendra Kumar Modi is seeking similar prayers before two different courts. Pursuant to the same, the counsel present for Shri Devendra Kumar Modi stated that she will file an Affidavit and withdraw the similar prayers before the Hon'ble Supreme Court of India and the same is recorded in order dated 24.03.2021. Shri Devendra Kumar Modi subsequently filed an Affidavit withdrawing similar prayers before the Hon'ble Supreme Court of India on 26.03.2021.

Further, the Contempt Petition filed by Shri Devendra Kumar Modi as well as the SLP filed by Shri Mahendra Kumar Modi was taken up for hearing on 06.09.2022 by the Hon'ble Supreme Court of India after completion of pleadings. The Hon'ble Supreme Court of India after hearing the parties in detail was pleased to (vide order dated 06.09.2022) dismiss the Contempt Petition filed by Shri Devendra Kumar Modi and further the SLP filed by Shri Mahendra Kumar Modi was permitted to be withdrawn in terms of the application filed by Shri Mahendra Kumar Modi.

7. **Share purchase agreement executed between Modi Industries Ltd. and Shri Mahendra Kumar Modi regarding sale of shares of Modipon Ltd.**

During September 2020, an agreement was executed between the Company and Daisy Investment Ltd., regarding sale of shares of Modipon Ltd. held by the Company.

In pursuance of the said agreement, the Company received an advance amount of 25% of the entire sale consideration against the transfer of the shares in favour of Daisy Investment Ltd., however, since the Demat Account of the Company was suspended / freeze, the shares held by the Company could not be transferred during the said period. The suspension / freeze of the Demat Account was on account of some non-compliance at the end of Modi Rubber Ltd. The suspension of the Company's Demat Account was only on account of the fact that the Company is one of the promoters of Modi Rubber Ltd.

The suspension of the Demat Account of the Company has been lifted / revoked with effect from 15.03.2021. However, the transfer of shares is still pending and accordingly the sale of shares has not been recognized till March 31, 2024 as the balance sale consideration is also yet to be received.

8 Upto 31st March, 2022, the Distillery Unit of the Company has been showing state excise duty paid by various state beverages corporations (except Rajasthan) towards the supplies of IMFL made by it, as its own cost and correspondingly enhancing turnover to that extent.

The above mentioned practice was being followed as the Distillery Unit was funding the state excise duty paid by the various state beverages corporations and therefore it was mis-conceptually assumed that the excise duty paid by the various state beverages corporations (except Rajasthan) was a part of turnover. Recently based on the legal opinion taken from the Advocate of Supreme Court it has been clarified that the excise duty being paid by the various state beverages corporations is not the liability of the Distillery Unit but is the liability of these corporations as the concerned state excise department is issuing permit in the name of

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

these corporations. The Distillery unit is only funding these corporations as advance for payment of excise duty which is subsequently recovered from them. In view of the legal opinion, the excise duty should not have formed part of the turnover and should not have been shown as cost in the books of accounts of Modi Distillery.

In view of the above legal opinion, with effect from the previous financial year i.e. 2022-23 the company has abandoned the previous practice of showing the state excise duty paid by various state beverages corporations as its own cost and correspondingly enhancing the turnover. Similarly, State Excise Duty on closing stock lying with State Corporation/in transit has not been included in the value of closing stock. The said change in accounting practice had no impact on the Profits of the Distillery Unit of the Company for the financial year 2022-23 and subsequently even though revenue from operations and excise duty expenses reduced by Rs.15,173.69 Lac each for the previous financial year.

9. The operating units of the Company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software and audit trail feature has not been tempered with during the financial year 2023-24.

Further, as per proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, preservation of audit trail as per the statutory requirements for record retention will be adhered to.

10. The International Asset Reconstruction Company Limited, the assignee of ICICI debt has assigned its debt, to M/s. T.C. Healthcare Private Limited on 27.06.2018, and its charge has been duly registered with Registrar of Companies. During the year, the Company has successfully negotiated and entered into One Time Settlement with M/s. T.C. Healthcare Private Limited and agreed to pay a sum of Rs.796.74 Lac towards full and final settlement of their outstanding dues along with interest. The said OTS amount will be payable in 24 equal monthly instalment along with further simple interest of 8% per annum on reducing balancing method starting from 01.04.2024. (Refer Note No. 27 {28(A)(2)}).

11. (a) Deferred Tax Assets are Rs.3,623.23 Lac as on 31st March, 2024 (Previous year Rs.3,137.87 Lac) constituting mainly of unabsorbed depreciation, unabsorbed losses, provision for doubtful debts, provisions disallowed and interest on term loans disallowed in Income Tax. On conservative basis as required by the Accounting Standard 22, the net Deferred Tax Assets have not been recognized and position will be re-assessed at next balance sheet date. However, the estimated Deferred Tax Assets and Liabilities details are given as under:

Description	(Rs. in Lac)	
	As at 31.03.2024	As at 31.03.2023
Deferred Tax Assets :		
i) Disallowances under the Income Tax Act.	1163.48	1027.22
ii) Provision for Doubtful Debts	785.87	761.87
iii) Unabsorbed Depreciation	930.90	864.01
iv) Unabsorbed Loss	2035.95	2231.46
Total	4916.20	4884.56
Deferred Tax Liabilities:		
i) Expenses claimed in return but not charged to revenue in books of account.	-	873.07
ii) Difference between WDV of assets as per Companies Act and Income Tax Act.	1292.97	873.62
Total	1292.97	1746.69
Deferred Tax Assets (Net)	3623.23	3137.87



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

- (b) Even though the Company has earned book profit during the current and preceding financial years but MAT on book profits are not applicable as per provisions of Section 115JB of the Income Tax Act, 1961 read with sub-section (2)(vii) which provides that the amount of profits of Sick Industrial Company for the assessment year commencing on and from the assessment year relevant to the previous year in which the said Company has become a sick industrial Company under sub section (1) of Section 17 of the Sick Industrial Companies (Special Provisions) Act, 1985 and ending with the assessment year during which the entire net worth of the Company becomes equal to or exceed the accumulated losses are not covered under the Section 115JB of the Act. The net worth of the Company has been eroded and as per BIFR order dated 14th March, 1991 the Company was declared a sick industrial Company. As per the financial statements for the financial year 2023-24, the net worth of the Company is still negative.
12. As per Section 135 of the Companies Act, 2013, every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year shall constitute a Corporate Social Responsibility Committee.
- The provisions of the CSR are applicable on the Company in the financial year under review. There is no liability of CSR expenditure as the Company had incurred Net Losses during the last three preceding years computed as per the Section 198 of the Companies Act, 2013.
13. (a) The Company has adopted Accounting Standard 15 (Revised) on employees benefits with effect from 1st April, 2007 in respect of provision for Gratuity liability.

The Company has unfunded scheme for payment of gratuity to all eligible employees calculated at specified number of days of last drawn salary depending upon tenure of service for each year of completed service subject to minimum five years of service payable at the time of separation upon superannuation or on exit otherwise.

Details in respect of Gratuity are as under:

(Rs. in Lac)

Liability to be recognized in Balance Sheet	As on 31.03.2024	As on 31.03.2023
Present value of Obligations	741.78	741.35
Fair Value of Plan Assets	-	-
Net Liability	741.78	741.35
Reconciliation of Opening and Closing Balances of Obligation		
Obligation as at beginning of the year	741.78	741.35
Acquisition adjustment (Out)	-	-
Current Service Cost	68.13	62.60
Interest Cost	54.74	53.08
Actuarial Losses/(Gain)	8.96	60.95
Benefits paid	(93.58)	(176.20)
Obligations as at the end of the year	780.03	741.78
Expenditure to be recognized during the year		
Current Service Cost	68.13	62.60
Interest Cost	54.74	53.08
Expected Return on Plan Assets	-	-
Net Actuarial Losses/(Gains)Recognized during the year	8.96	60.95
Total expenditure included in "Employees' Emoluments"	131.83	176.63
Assumptions		
Discount Rate (per annum)	7.23%	7.38%
Expected rate of Return on Assets (per annum)	0%	0%

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

- (b) (i) The Company has adopted Accounting Standard 15 (Revised) on employees benefits with effect from 1st April, 2008 in respect of Earned Leave and the scheme is unfunded.

(ii) Details in respect of Earned Leave are as under:

(Rs. in Lac)

Liability to be recognized in Balance Sheet	As on 31.03.2024	As on 31.03.2023
Present value of Obligations	51.15	43.17
Fair Value of Plan Assets	-	-
Net Liability	51.15	43.17
Reconciliation of Opening and Closing Balances of Obligation		
Obligation as at beginning of the year	51.15	43.17
Acquisition adjustment (Out)	-	-
Current Service Cost	11.65	10.84
Interest Cost	3.78	3.09
Actuarial Losses/(Gain)	(5.22)	0.84
Benefits paid	(8.46)	(6.79)
Obligations as at the end of the year	52.90	51.15
Expenditure to be recognized during the year		
Current Service Cost	11.65	10.84
Interest Cost	3.78	3.09
Expected Return on Plan Assets	-	-
Net Actuarial Losses/(Gains)Recognized during the year	(5.22)	0.84
Total expenditure included in "Employees' Emoluments"	10.21	14.77
Assumptions		
Discount Rate (per annum)	7.23%	7.38%
Expected rate of Return on Assets (per annum)	0%	0%
Salary Escalation Rate	6.00%	6.00%

- 14 (i). Based on the information/documents available with the Company, information as per the requirement of section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 with respect to trade payables and payable to suppliers of capital goods are as follows:

As at 31st March, 2024		(Rs. in Lac)	
Description	Trade payables	Payable to suppliers of capital goods	Total
(i) The Principal amount remaining unpaid to suppliers as at the end of accounting year. [@]	517.45 *(629.23)	12.90 *(42.24)	530.35 *(671.47)
(ii) The interest due thereon remaining unpaid to suppliers as at the end of accounting year.	**See Note below		
(iii) The amount of interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during accounting year;	**See Note below		



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

As at 31st March, 2024		(Rs. in Lac)	
Description	Trade payables	Payable to suppliers of capital goods	Total
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	**See Note below		
(v) The amount of interest accrued during the year and remaining unpaid at the end of accounting year.	**See Note below		
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure U/s 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	**See Note below		

@Includes Rs. 261.27 Lac (Previous Year Rs. 266.59 Lac) relating to credit balance of MSME customers.

* Figures in () represent previous year figures.

** No provision has been made for interest on dues of parties covered under MSME Act, 2006 for the period upto 31st March, 2024 in the books of account. Amount not ascertained.

- (ii) No information from vendors regarding their status under MSME is available in respect of closed Paint, Gas, Steel Units and of CAD. Hence, the above information can't be furnished in respect of these units and CAD.
15. During the Financial Year 2017-18, short term unsecured interest free advance amounting to Rs.30.00 Lac was given to a party which has been transferred to another party during the previous financial year and is outstanding as on 31st March 2024.
16. During the year 2010-11, the Distillery unit of the Company (Bottler) had entered into an agreement i.e. a "Bottling Agreement" (including addendum to bottling agreement dated 26th April 2012) with MI Spirit India Private Limited (MISIP) whereby the parties i.e. bottler and MISIP have agreed to the blending, manufacturing and bottling of the products by the bottler. The bottling agreement stated above was substantially amended w.e.f. 01.04.2018 wherein number of clauses have been deleted and/or modified. The amended agreement inter-alia stipulates that (i) MISIP will only carry out certain quality control functions (ii) definition of 'Manufacturing Expenses', Manufacturing Margin and Selling and Distribution Expenses shall stand deleted (iii) the risk, property, interest, title or ownership to the materials procured by the bottler shall always remain with the bottler (iv) the bottler shall be responsible for collection of all payment against invoices raised by the bottler and (v) in consideration of the company granting the rights as specified in the bottling agreement to the bottler in terms hereof and the sub - license agreement, including rendering process services and marketing the products, the bottler shall pay to the company "License Fee" equal to 22% (Previous year 22%) of the revenue generated (Net of statutory charges levies, taxes and duties) from the sale of products.
17. Consequent to the losses, the Company was declared a Sick Industrial Company on 14th March, 1991 in terms of Section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985. Show-cause Notice

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

issued by BIFR for winding up pursuant to its order dated 28th October, 2013 was stayed by AAIFR. Ministry of Finance, Department of Financial Services vide its Notification No. S.O.3568(E) & S.O. 3569(E) dated 25th November, 2016 repealed the SICA. Therefore BIFR & AAIFR have also been dissolved. National Company Law Tribunal (NCLT) & National Company Law Appellate Tribunal (NCLAT) have been constituted by the Government, now such type of matters are dealt by NCLT/NCLAT. In the month of September, 2020, a long pending dispute between Shri Umesh Kumar Modi, Chairman and Managing Director and Shri Mahendra Kumar Modi (erstwhile Managing Director) has been amicably settled and thereafter necessary steps were taken by the Company under the leadership of Shri Umesh Kumar Modi for rehabilitation/ revival of the Company.

The Company undertook an expansion project by setting up a new Grain distillery plant. Currently, the unit is purchasing Grain Neutral Alcohol (GNA) from other Distilleries and in order to secure the GNA requirements and to maintain a good quality product, it has been decided to convert its existing 30 KLPD Molasses Distillery into 32 KLPD Grain Distillery which will be able to full fill the demand of IMFL upto 24 Lac cases. Accordingly, the Company has spent an amount of Rs.3,500 Lac on the said project and the commercial production of GNA has started on 1st March, 2024, and was ended on 29th April, 2024. During the said period the production of the GNA was 15.58 Lac Bulk Ltrs.

Further, during the current financial year, the Company has started the work of developing the land area approximately 7,610.82 Sq. Mts. which was lying vacant at Umesh Park, Modinagar. The said residential project named as "UMESH PARK Phase I" will have 114 Flats.

Further, the company had earned profits during the last three financial years, therefore, in view of the above, as well as improved performance of the operating units of the Company, the accounts of the Company have been prepared on a going concern basis.

- 18 No provision has been made for penal/delayed/simple/ compound interest amounting to Rs. 67,851.65 Lac upto 31st March, 2024 (for the year Rs. 9,136.07 Lac) on term borrowings. Refer Note No. 27(5) for assignment of these term borrowings to assignees.
- 19 (a) The closed Vanaspati Unit had applied for Sales Tax Relief Exemption to U.P. Government in terms of Section 4A of U.P. Sales Tax Act. Consequent to rejection, the Company has filed a writ petition in Lucknow Bench of Allahabad High Court and Court had passed an order dated 21st February, 2013 that "the writ petition is allowed and impugned order dated 22nd April, 1992 is quashed. The opposite parties are directed to reconsider the case of the petitioner afresh, after giving personal opportunity of hearing and pass appropriate orders, in accordance with law." In compliance of High Court order, the unit had filed an application before the Secretary Level Committee (Constituted under Section 4A of the U.P. Trade Tax Act). As the matter is still pending before the authority, no provision has been made for sales tax liability of Rs. 2,455.78 Lac relating to the period May, 1991 to July, 1994 (previous year Rs. 2,455.78 Lac).
- (b) The closed Vanaspati Unit had made an application for deferment of Sales-tax with effect from July, 1994 under Section 38 of the U.P. Sales Tax Act and the same had been rejected by the State Government. The Company had filed Writ Petition against the rejection and consequent to the orders of the Court, the recovery of Sales-tax has been kept in abeyance. Accordingly, Sales-tax amounting to Rs. 440.46 Lac (previous year Rs. 440.46 Lac) relating to the period August, 1994 to March, 1996 has not been deposited with the authorities.

The above writ petition filed by the Company was listed for hearing on 2nd May, 2008 at High Court, Lucknow Bench. The Company had filed an affidavit with the Court that BIFR had passed an order dated 26th March, 2008 by virtue of which the Bench permitted the Commercial Tax Department, Government of U.P. to recover its outstanding dues, due after 30th June, 2007. The Company had



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

also stated in the said affidavit that the Hon'ble Supreme Court of India had affirmed the order of the BIFR and therefore in view of the said orders of BIFR as affirmed by the Hon'ble Supreme Court, the said Writ Petition may be dismissed as infructuous. Accordingly, the High Court, Lucknow Bench has dismissed the said writ petition as infructuous.

- (c) In accordance with the Scheme announced by U.P. Government regarding Waiver of Interest & Penalty on Sales Tax, the Distillery Unit of the Company has paid and provided interest during 2005-06 of Rs. 54.77 Lac i.e. 10% of the total interest as per the scheme. No Dues Certificate of Sales Tax authorities is awaited.

20. Operating Leases:

Modi Distillery has entered into an operating lease agreement for Evaporation Plant on 1.10.2016 with G.S. Pharmbutor Private Limited, Modinagar which was extended for period of 3 year on 1.10.2019. Details are as under: (Rs.in Lac)

Particulars	Evaporatorion Plant	
	2023-24	2022-23
Lease Period	3 Years	3 Years
Total Lease Rent Payable	210.39 Lac	210.39 Lac
Paid during 2023-24	-	35.06 Lac
Payable during 2024-25 to not later than 5 years	-	-
Payable during 2025-26 to not later than 5 years	-	-

21. The Sugar Unit of the company has discounted sales bills raised on G.S Pharmbutors Pvt. Ltd. amounting to Rs. 1,597.08 Lac (previous year Rs. 3,375.50 Lac) from certain individual persons/ HUF/ Firms etc. and the same (net of discounting charges) has been credited to the account of G.S Pharmbutors Pvt. Ltd. Balance outstanding of bills discounted as on 31st March, 2024 amounts to Rs. Nil Lac (previous year Rs. 833.40 Lac).
22. In compliance of the provisions of Section 125 of the Companies Act, 2013 read with Rules made thereunder, the Company transferred an amount of Rs.525.99 Lac (for 98,907 number of unclaimed debentures) in IEPF Account comprising of Rs. 197.81 Lac for matured Debentures and Rs. 328.18 Lac for interest accrued on such matured Debentures upto the date of maturity as per terms of the issuance of the Debentures. The payment made by Company to IEPF through Punjab National Bank, Parliament Street Branch, New Delhi on 30th April, 2022 vide challan No. X13283197.

Now debenture holders can claim their refund directly from IEPF Authority by filing Form IEPF-5 and following the prescribed procedure given under the Companies Act, 2013 and rules made thereunder.

As on 31st March, 2024, no liabilities/outstanding against any type of debentures have remained unpaid in the books of account.

23. The Allahabad Bank (now known as Indian Bank) had filed a recovery suit of Rs.2,141.50 Lac against Modi Industries Limited and others before the Ld. Debt Recovery Tribunal, Lucknow (hereinafter referred to as the 'Ld. DRT') in April, 2005. The said outstanding amount pertains to the various units of the Company viz. Paint, Gas, Vanaspati, Sugar and Distillery Units. The Company challenged the recovery suit including the grounds that bank required prior permission under Section 22(1) of the Sick Industrial Companies (Special Provisions) Act, 1985 for filing recovery suit. The Debt Recovery Tribunal, Lucknow, allowed continuation of recovery suit against which Company filed appeal with Debt Recovery Appellate Tribunal, (DRAT) Allahabad and the DRAT had partially stayed the proceedings pending before Ld. DRT. After that a Writ Petition was filed by the Company before the Lucknow Bench of Hon'ble Allahabad High Court challenging the orders of the DRT,

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

Lucknow and DRAT, Allahabad. The Lucknow bench of Hon'ble Allahabad High Court noted the contention of Company and disposed off the Writ Petition by its order dated 18.07.2008. Against the said order the Company had filed Review Petition seeking the quashing of the Allahabad Bank's suit before the DRT and the said review petition has also disposed off by the Hon'ble Court. In the year 2010, the Company settled the outstanding dues of the few units of the Company viz. Paint, Gas, Vanaspati through One Time Settlement and paid a sum of Rs.444.55 Lac (Rupees Four Crore Forty-four Lac Fifty-five Thousand only).

For the remaining two units viz., Sugar and Distillery an amount of Rs. 58.16 Lac (including interest of Rs.17.62 Lac) was provided in the books of account of these units upto 31.03.2024. Further, no provision of the interest computed on simple basis amounting to Rs. 147.83 Lac on balance outstanding as per books of accounts has been made by the Company as proposal had been given by the Company for settlement of their dues for Rs. 227 Lac on 08.09.2010 against which an upfront payment of Rs. 50 Lac was deposited on 01.02.2010 under "No Lien Account" and the same was included under the category of "other bank balances". The balance of the said "No Lien Account" including interest (net of TDS) as on 31.03.2024 is Rs. 86.56 Lac.

Further, the suit filed by the Allahabad Bank before the Ld. DRT, Lucknow was heard ex-parte and pursuant thereto a decree, was passed against the Company on 8th May, 2024. According to the said Decree, the Company was liable to pay a sum of Rs.2,141.50 Lac along with interest @ 12% per annum from the date of filing of the original application i.e. 23.03.2005 till the loan is fully liquidated. Imperatively while passing the said Decree, the Ld. DRT inadvertently did not taken into consideration the OTS amount already paid by the Company for settlement qua three units viz. Paint, Gas and Vanaspati Units. In the month of February, 2024 the Company had given its proposal for settlement of the remaining outstanding dues of the Company and the bank vide its sanction letter dated 26.06.2024 accepted the proposal of the Company and in terms of the said sanction letter, the Company was required to pay an OTS amount of Rs.1,041 Lac on or before 30th September, 2024. The Company has paid the total OTS amount of Rs.1,041 Lac to the bank and the bank has also issued a "No Objection Certificate" on 12.07.2024. Further, the bank filed an application before the National Lok Adalat Debt Recovery Tribunal, Lucknow on 13th July, 2024 for withdrawal of the case instituted by them on account of settlement arrived between the bank and the Company. The said withdrawal application has been allowed and the case now stands disposed off.

24. Due to a fire on 13-07-2019 in the office premises and records room of Sugar and Distillery Units of the Company, most of the records including supporting documents/invoices etc. of transactions attached with the vouchers for the Financial Years 2014-2015 to 2018-19 and for the period April 2019 to the date of fire were destroyed/damaged almost completely. These accounting records which includes initial accounting entries, reconciliations & other work sheets etc. is being re-generated and supporting records such as invoices, contracts, checks and records of electronic fund transfers etc. are being obtained from the third parties to the extent possible and this process will take considerable amount of time. In the meanwhile, since the accounting data including all ledgers stored in computer ERP system, were intact, this facilitated the preparation of Financial Statements of Sugar and Distillery Units of the Company for the Financial Years 2018-19 and 2019-20.
25. No confirmation letters were sent to debtors/creditors, loan taken/given and advances and other accounts. In the absence of such confirmations, the balances in respect of these parties/accounts are taken as shown by the books of accounts and are subject to adjustments on reconciliations, if any. Further, the Norms for Provisioning of Doubtful debtors including obtaining supporting documents to classify these as doubtful are being reviewed by the Distillery Unit of the Company to strengthen the accuracy of provision for doubtful debtors.



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

26. **Other Regulatory Information:**

- (i) The Company do not have any Benami property. Accordingly, no proceedings have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder. Accordingly, no disclosure is required to be given.
- (ii) The Company is in the process of identifying transactions, if any, with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.
- (iii) The Company do not have any charges or satisfaction which are yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the current financial year.
- (v) 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:
 - (a) 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
 - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Company has not received any fund 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:
 - (a) 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
 - (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (viii) The Company is not declared as willful defaulter by any bank or financial institution or other lender during the financial year 2023-24.
- (ix) The Company has no subsidiaries. Accordingly, provisions of clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017, is not applicable.
- (x) The Company has not revalued any of its Properties, Plant & Equipment and intangible assets during the Financial Year 2023-24.
- (xi) The Company has not granted any loans or advances in the nature of loans to promoters, Directors, KMPs and the related parties during the Financial Year 2023-24.
- (xii) Title deeds of Immovable Properties not held in the name of Company:
 - (a) Title deeds of the immovable properties are held in the custody of Assignee Company of the original lenders as security for the loans taken. All the title deeds of immovable properties are held in the name of the Company and the Company has sought confirmation from the assignee company stating that their holding these title deeds and the said title deeds are in the name of the Company which is awaited.

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

- (b) The Government of India through its department named as “Custodian for Enemy Property of India” passed an order dated 11.01.2022 and vested the various pieces of Industrial Land of the Company situated at Modinagar. Against the said vesting, the Company has filed its representation before the Custodian as provided in the Enemy Property Act, 1968, on which the enquiry is ongoing and the matter is pending for adjudication.

Against the above said order, one aggrieved party had filed a Civil Writ Petition No. 30118 of 2022 before the Hon’ble Allahabad High Court and the Hon’ble High Court had adjudicated the matter and stated that impugned order have been passed without any notice or opportunity of hearing to the individual/ companies whose name was duly recorded in revenue record of 1424-1429 (2016-2022) fasli year. As per rule 4 of the Enemy Property Rules, 2015 amendment with effect from 21.03.2018 specifically provided that during cause of enquiry and vesting any property as enemy property, a notice in Form 1 shall be served personally to the person concerned or to his manager or to other member of his family or to be sent through Registered Post or by affixation. Rule 4(1c) provides that the notice shall call upon the persons concerned to show cause as to why the subject property should not be declared as an Enemy Property. Rule 4(1e) stipulates that the custodian shall give sufficient opportunity to the noticee and if the noticee have failed to appear on the date fixed for hearing even after giving reasonable opportunity, the custodian may provides further to hear the matter exparte. The Hon’ble High Court observed that the impugned order are, therefore, in violation of the statutory provisions which stipulate that show cause notice has to be served on the person concerned of holding enquiry as to whether any property is to be declared as enemy property or not. Therefore, the Hon’ble High Court set aside the impugned orders and permitted the custodian to issue fresh notices to the concerned persons as provided under the Rules and thereafter decide the matter afresh.

Further as per letter No. CEPI/DEL/26/14/41(29-55)/2021/1690 dated 13.10.2023 issued by the office of the Custodian of Enemy Property of India (CPEI) to the District Magistrate, Ghaziabad and informed that in the light of the Hon’ble Allahabad High Court order dated 16.12.2022, the CPEI has decided for cancellation of mutation in favour of CEPI with respect to the property situated at Khevat No. 1 Area 593 Bigha 6 Biswa located at Village Sikri Khurd, Paragna Jalalabad. Therefore, the legal position of the above mentioned land prior to the impugned order (which have been set aside by the Hon’ble Allahabad High Court) continue at present till the proceedings under Rule 4 of Enemy Property Rules, 2015 are completed. No fresh notice has been received by the Company under the said rules till date.

- (xiii) No scheme of arrangement has been approved by the competent authority in terms of section 230 to 237 of the Companies Act, 2013.
- (xiv) The Company has not borrowed any money from Banks and Financial Institutions for any specific purpose during the current financial year.
- (xv) In the opinion of the Board, all the assets other than (Property, Plant & Equipment, Intangible assets and Non-current Investments and of assets of Steel Unit incorporated in the Standalone Financial Statements) have a value on realization in the ordinary course of business at least equal to the amount at which these are stated in the Standalone Financial Statements.
27. Delhi Excise Authorities issued Show Cause Notices and raised demand for Rs.167.43 Lac towards Risk-Purchase of Country Liquor in view of non-supply of the same by Distillery Unit of the Company. Company has disputed the above demand and a Writ Petition was filed before the Hon’ble Delhi High Court who ordered the case to be referred back to Collector of Excise for taking final decision. The Collector of Excise vide its order dated 27th June, 2003 has confirmed the above demand against which the Company has filed a writ petition before the Hon’ble Delhi High Court. On the basis of orders of Hon’ble Delhi High Court, the Company has deposited Rs.50.00 Lac till date against the above demand. No provision is considered necessary at this stage.



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

28. (A) **Exceptional Items of the current financial year:**

- (1) In view of the settlement of the outstanding Cash Credit balance as stated in Note No. 27(23) above, with the Allahabad Bank (now known as Indian Bank) the Company has paid Rs.1,041.00 Lac as One Time Settlement amount in the month of June and July, 2024. Accordingly, unprovided remaining amount of interest Rs.982.83 Lac has been accounted for as an exceptional item in the Statement of Profit & Loss Account.
- (2) In view of the settlement of the Term Loan of T.C. Healthcare Private Limited (Assignee of ICICI Debt) as stated in Note No. 27(10) above, the Company has provided the remaining unprovided interest amounting to Rs.374.77 Lac which has been accounted for as an exceptional item in the Statement of Profit & Loss Account.

(B) **Exceptional Items of the previous year:**

- (i) In view of the settlement of dues of debentures and term loan with certain parties during the previous year, the unprovided interest amounting to Rs.1450.05 Lac for the period upto date of payment has been accounted for as an exceptional item in the statement of Profit & Loss Account.
 - (ii) Unclaimed / unpaid credit balance of Rs. 279.13 Lac which were outstanding for more than five years in the books of accounts of Electrode Unit has been written back as income during the previous financial year as an exceptional item.
29. Till 31st March, 2024, certain Quarters of the Company were occupied unauthorizedly by ex-employees/ outsiders. The Company has entered into "Agreement to Sell" for 215 (Previous year 215), such residential quarters with such parties. Sale consideration amounting to Rs.504.50 Lac (Previous year Rs.504.50 Lac) has been received as interest free advance. These "agreements" clearly stipulate that final sale of such quarters are subject to approval of lender to whom these quarters have been mortgaged. Accordingly, the sale of such quarters can be accounted for only on receipt of approval of the lender. Further the Company was legally advised that it can enter into such "Agreements to Sell".
- 30 (a) The Company has entered into few leases, including perpetual leases, agreements for certain portions of the factory land and building admeasuring 76781.06 Sq. Mtrs (Previous year 76131.06 Sq. Mtr.) for which the approval of the major secured creditor namely SBEC Sugar Limited is pending for certain leases.
- (b) The Company was declared Sick, and the proceedings were pending before BIFR/AAIFR on account of the fact that the net worth of the Company had turned negative. As a result of the same, it was becoming impossible for the Company to avail loans through banks / other financial institutions etc. As the Company continues to be an ongoing concern, in spite of it being declared sick, it was in obvious need of funds to ensure that the company could continue its day to day operations, which was in the larger interest of the shareholders and thousands of workman employed with it. It is imperative to note that since the net-worth of the company had turned negative, no bank / financial institution was willing to extend any credit facilities to the Company. Having left with no other option, the Company was constrained to borrow monies by way of Inter Corporate Deposits (ICDs) on which it was paying heavy rate of Interest. Apart from other liabilities, the Company continues to face the challenge (common to all sugar mills in the State of Uttar Pradesh) to clear the outstanding cane dues, which not only shall protect the company from any coercive action but shall also reduce the interest liability being fastened upon the Company on account of delayed cane payment. In order to reduce the heavy rate of interest on ICD's and to explore the channel for payment of cane dues, the Company had approached KPMG India Pvt. Ltd ("KPMG") and KPMG recommended the appointment of RBSA Valuation Advisors

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

LLP (“RBSA”), an independent agency to value the unproductive assets, which are not the units / undertakings / factories of the Company i.e. few parcels of vacant land, constructed property one of the oldest building of the Company (the said building was constructed 50 years ago for which the company is spending huge amount of money for its basic upkeep and security) for the purpose of determining the current market value. The RBSA has submitted its valuation report to the Company. The company was able to negotiate with few parties and has entered into certain Memorandum of Understandings, wherein these companies have made certain deposits/advances to the company basis the current market value determined by the valuers, thereby enabling the Company to somewhat reduce its liabilities as well as the interest thereon.

31. (a) Recovery Certificate (RC) was issued on 1st May, 2004 on account of non-payment of cane price/ commission/interest due to Co-operative Societies for the sugar season 2003-04. The Hon’ble High Court has stayed the recovery proceedings against the Company subject to payment of dues upto 31st July, 2004. The Company has complied with the conditions regarding payment of cane price and commission on basic SMP upto 31st July, 2004. However, the Company has disputed the payment of interest of Rs.142.00 Lac and recovery charges of Rs.236.00 Lac in the Hon’ble Allahabad High Court which is still pending. On consideration of prudence, the Company has made provision for interest of Rs.142.00 Lac during the year 2004-05.
- (b) Recovery Certificate (RC) was issued on 10th August, 2007 on account of non-payment of cane price / commission / interest due to Co-operative Societies for the sugar season 2006-07. The above RC also includes interest of Rs.340.66 Lac upto 7th August, 2007 on cane price / commission payable to societies and recovery charges of Rs.426.95 Lac which has not been provided for in the books of account. As per the Interim Order dated 27th February, 2008 of Hon’ble Supreme Court, there shall not be any recovery charges or interest for delayed payment at this stage.
- (c) Recovery Certificate (RC) was issued on 18th March, 2008 on account of non-payment of cane price / commission / interest due to Co-operative Societies for the sugar season 2007-08. The above RC also includes recovery charges of Rs.413.50 Lac which has not been provided for in the books of account.
- (d) Recovery Certificate (RC) was issued on 20th April, 2011 on account of non-payment of cane price / commission / interest due to Co-operative Societies for the sugar season 2010-11. The above RC also includes recovery charges of Rs.268.25 Lac which has not been provided for in the books of account as stay granted by Hon’ble Allahabad High Court.
- (e) Recovery Certificate (RC) was issued on 21st February, 2014 on account of non-payment of cane price / commission / interest due to Co-operative Societies for the sugar season 2012-13. The above RC also includes interest of Rs.1246.58 Lac and recovery charges of Rs. 450.79 Lac. No provision has been made for recovery charges in the books of account. Hon’ble Allahabad High Court vide its order dated 16th April, 2014 has stayed the recovery charges of Rs. 278.99 Lac. Further the Company has paid interest on cane arrears.
- (f) Following three recovery certificates were issued by Cane Commissioner for Sugar Season 2013-14 to 2015-16 on account of delayed – payment of cane price / interest due to Co-operative Societies:

(Rs.in Lac)			
Sugar Season	Interest as per RC	Total Interest Liability	Recovery Charges
2013-14	803.85	2,138.58	1,704.67
2014-15	1,300.78	2,378.57	1,703.95
2015-16	979.65	1,763.36	1,394.81



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

(i) **Recovery Charges:**

Writ petitions were filed against recovery charges by the Company and Hon'ble Allahabad High Court vide its order dated 4th May, 2017 stayed recovery charges for the above three sugar seasons and directed the authorities to reconsider issue of 10% recovery charges in the light of directions issued in the case of Mahrajwa (supra) and the said writ petition was disposed of by the Hon'ble Allahabad High Court. After that the Company made the representations to the authorities and the said representations are still pending for disposal.

(ii) **Interest Charges:**

State Government waived interest charges of the above three sugar seasons. In a writ filed against the above by Rashtriya Kisan Mazdoor Sangathan, the Hon'ble Allahabad High Court set aside the above decision of the State Government for waiver of interest for all the three years 2012-13, 2013-14, 2014-15 and asked the Cane Commissioner to look into the grievance of farmers that has been so raised and then examine the claim of each and every Company on the parameters that have been so detailed in the order. Cane Commissioner will take final call in the matter within next four months from the date of receipt of certified copy of the order dated 09/03/2017 as per law. Further proceedings are pending.

- (g) No provision for Interest of Rs.12,539.48 Lac (for the year Rs. 2,091.16 Lac) for the period upto 31st March, 2024 for the Sugar Season 2018-19 to 2023-24 has been made.
- (h) Recovery Certificate (RC) was issued on 20th February, 2020 on account of non-payment of cane price/ commission / interest due to Co- operative Societies for the Sugar Season 2018-19. The above RC also includes recovery charges of Rs. 1041.79 Lac. In view of the direction issued in the case of Mahrajwa (Supra) as stated in note 31(f)(i) above, no provision for recovery charges is considered necessary by the management.
- (i) Recovery Certificate (RC) was issued on 12th October, 2020 on account of non-payment of cane price/ commission / interest due to Co- operative Societies for the Sugar Season 2019-20. The above RC also includes recovery charges of Rs. 2416.46 Lac. In view of the direction issued in the case of Mahrajwa (Supra) as stated in note 31(f) (i) above, no provision for recovery charges is considered necessary by the management.

32. The following are the particulars of dues on account of sales tax, excise duty, entry tax, income tax, House Tax, Water Tax and others as at 31st March, 2024 that have been disputed by the Company in appeals pending before appellate authorities {Refer Note No. 27(4)}.

Name of statute	Nature of the dues	Amount of dues (Rs. Lac)	Amount deposited under protest (Rs. Lac)	Period to which the amount relates	Forum where disputes is pending
U.P.VAT Act	VAT Tax, Penalty, Interest, Exemption to New Units.	2732.96	18.35	1982-83 to 1984-85, 1987-88, 1990-91 & 1991-92, May 91 to March 96	Allahabad High Court.

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

Name of statute	Nature of the dues	Amount of dues (Rs. Lac)	Amount deposited under protest (Rs. Lac)	Period to which the amount relates	Forum where disputes is pending
	VAT Tax and Penalty	@165.16	113.58	1952-53, 1981-82, 1984-85 to 1985-86, 1992-93, 1995-96, 1998-99, 2000-01 to 2001-02, 2007-08	Commercial Tax Tribunal, Ghaziabad
	VAT Tax and Penalty	362.78	138.67	1986-87, 1994-95 to 99-2000	Joint Commissioner (A), Ghaziabad
	VAT Tax	133.67	-	1986-87, 1988-89, 2001-02, 2003-04. 2005-06	Deputy Commissioner. (Assessment), Modinagar.
	Penalty under VAT Tax	4.37	0.45	2008-09	Allahabad high Court
Central Sales Tax Act	Central Sales Tax,	96.72	3.53	1986-87, 1992-93, 1997-98 and 2000-01	Commercial Tax Tribunal, Ghaziabad.
	Central Sales Tax,	50.25	9.68	1994-95 to 1996-97 and 1999-2000	Joint Commissioner (Appeals), Ghaziabad
	Central Sales Tax	6.76	-	1997-98, 2005-06	Deputy Commissioner (A), Modinagar
State Sales Tax Act	State Tax	10.56	0.20	1992-93	Additional Commissioner, Sales Tax, Delhi.
	Sales Tax	5.97	2.00	1985-86, 1997-98, 2002-03, 2004-05 & 2005-06	State Tax
	Sales Tax	0.82	0.05	2014-15	State Tax
	Penalty (HGST)	0.30	-	1991-92	Tribunal Sales Tax, Chandigarh.
	State Tax	15.79	1.79	1989-90 to 1993-94, 1998-99 and 2006-07	Deputy Commissioner (A), States
Central Sales Tax Act (States)	Central Sales Tax	1.92	0.29	1988-89 to 1992-93.	Appellate Authority/ DC (Appeals), Delhi



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

Name of statute	Nature of the dues	Amount of dues (Rs. Lac)	Amount deposited under protest (Rs. Lac)	Period to which the amount relates	Forum where disputes is pending
	Excise Duty	70.40	-	2008-09 to 2012-13	Commissioner (Appeals), Meerut.
Central Excise & Custom Act		0.74	0.20	1996-97	Commissioner of Central Excise, Ghaziabad.
		*56.66	-	February, 1981 to February, 1987 October 2002 to January 2005	CESTAT
		5.00	-	Information not available.	Information not available.
		6.34	6.34	2009 onwards	Supreme Court of India
Sales Tax Act	Tax on sale of Molasses	236.85	-	2011-12, 2012-13 and 2013-14	Demand stayed by Allahabad HC dated 19.4.2010
VAT/Central Sales Tax Act	VAT and Central Sales Tax	#23626.29	-	2017-18 & 2020-21	VAT and Sales Tax demands raised through ex-parte orders and the re-opening application are pending before authorities.

@ Provided for Rs.82.60 Lac in the Accounts

*Provided for Rs.32.20 Lac in the Accounts

Excludes VAT and Central Sales Tax ex-parte demands of Rs. 40,514.29 Lac for the years 2014-15, 2015-16, 2016-17, 2018-19 & 2019-20 which have been remanded back to AO by Appellate Authority to pass orders afresh.

33. RELATED PARTIES DISCLOSURE

1. Key Management Personnel :

Shri Umesh Kumar Modi, Chairman and Managing Director

2. Other Related Parties with whom the Company had transactions etc :

Enterprises over which the Key Management Personnel and their relatives are able to exercise significant influence:

SBEC Sugar Limited

Moderate Leasing & Capital Services Limited

Modi Hitech India Limited

Technicast Engineers Limited

Modi Mundipharma Private Limited



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

Win-Medicare Private Limited
 Modi Motors Private Limited
 Modi Illva India Private Limited
 Modi Line Travel Services Private Limited
 Modi Mundipharma Beauty Products Private Limited
 Modi Senator (India) Private Limited
 Jayesh Tradex Private Limited
 H.M. Tubes & Containers Private Limited
 Modi Casings and Packaging Private Limited
 Daya Charitable Trust
 Shiva Charitable Trust

3. Disclosure of transactions between the Company and related parties and the status of outstanding balances as at 31st March, 2024:

(A) Transactions with the enterprises over which the Key Management Personnel and their relatives are able to exercise significant influence: (Refer Foot Note given below)

Particulars	(Rs.in Lac)	
	2023-24	2022-23
Sale of Goods		
SBEC Sugar Limited	2.96	0.11
Win-Medicare Private Limited	0.96	1.73
Modi Illva India Private Limited	0.67	0.60
Modi Hitech India Ltd.	1.11	0.08
Modi Motors Pvt. Ltd.	-	0.53
	5.70	3.05
Sale of Assets		
SBEC Sugar Limited	-	8.89
Job Work Charges received		
Modi Hitech India Limited	1268.98	770.85
Services Given		
Jayesh Tradex Private Limited	33.28	-
Royalty Fee received		
Modi Hitech India Limited	12.73	5.90
Purchase of Goods/Raw Materials		
SBEC Sugar Limited	16.73	50.94
Modi Casings & Packaging Private Limited	652.13	379.45
Jayesh Tradex Private Limited	386.66	288.59
Modi Hitech India Limited	223.03	39.20
H.M. Tubes & Containers Private Limited	1.10	-
Modi Motors Private Limited	-	113.47
Modi Mundipharma Beauty Products Pvt. Ltd.	1.16	1.61
	1280.81	873.26



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

Particulars	(Rs. in Lac)	
	2023-24	2022-23
Purchase of Assets		
Jayesh Tradex Private Limited	3.85	11.32
Modi Hitech India Limited	-	70.70
SBEC Sugar Limited	261.11	170.63
	264.96	252.65
Rental Income		
Win-Medicare Private Limited	402.16	346.90
Modi Motors Private Limited	12.00	12.00
Modi Mundipharma Private Limited	6.69	0.18
Modi Mundipharma Beauty Products Pvt. Ltd.	0.36	0.36
Jayesh Tradex Private Limited	53.24	53.24
Modi Casings & Packaging Private Limited	6.37	4.72
Modi Illva India Pvt. Ltd.	1.83	0.45
Daya Charitable Trust	2.52	-
Shiva Charitable Trust	0.71	-
Others	0.14	0.14
	486.02	417.99
Expenses reimbursed		
Win-Medicare Private Limited	0.05	0.06
SBEC Sugar Limited	0.35	0.46
Jayesh Tradex Private Limited	-	0.17
Modi Mundipharma Private Limited	0.04	-
Modi Hitech India Limited	0.75	-
	1.19	0.69
Expenses realized		
SBEC Sugar Limited	0.48	0.68
Interest paid on Loan taken		
Moderate Leasing & Capital Services Limited	295.46	255.57
Modi Illva India Pvt. Ltd.	2007.18	418.44
	2302.64	674.01
Consultation Fee paid		
Moderate Leasing & Capital Services Limited	295.00	-
Loan and Advances taken		
Moderate Leasing & Capital Services Limited	5647.62	3907.33
Modi Illva India Pvt. Ltd.	22893.56	17605.00
	28541.18	21512.33
Charity & Donation paid		
Shiva Charitable Trust	18.00	-
Receiving of Services		
Modi Line Travel Services Private Limited	56.86	19.38
Win-Medicare Private Limited	139.41	-
Daya Charitable Trust	1.18	-
	197.45	19.38



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

Particulars	(Rs. in Lac)	
	2023-24	2022-23
Security Deposit received		
Modi Illva India Pvt. Ltd.	-	29.15
Win-Medicare Private Limited	2.53	2148.00
Modi Mundipharma Beauty Products Pvt. Ltd.	1.00	-
Daya Charitable Trust	0.93	-
Shiva Charitable Trust	0.30	-
	4.76	2177.15
Repayment of Loan and Advance		
Moderate Leasing & Capital Services Limited	4291.62	2731.24
Modi Illva India Pvt. Ltd.	14771.66	961.98
	19063.28	3693.22
(B) Balances outstanding at the year end: (Refer Foot Note given below)		
Amount Recoverable		
Sundry Debtors:		
Win-Medicare Private Limited	-	0.17
Modi Illva India Private Limited	3.42	3.12
Modi Senator (India) Pvt. Limited	0.85	0.85
Modi Casings & Packaging Pvt. Ltd.	-	42.05
Modi Mundipharma Private Limited	-	0.65
Technicast Engineers Limited	0.51	0.51
	4.78	47.35
Unbilled Revenue		
Modi Hitech India Limited	112.33	102.32
Interest payable		
Moderate Leasing & Capital Services Limited	91.66	213.77
Modi Illva India Pvt. Ltd.	433.09	358.34
	524.75	572.11
Amount payable		
SBEC Sugar Limited	288.52	26.61
Modi Mundipharma Beauty Products Pvt. Ltd.	42.06	40.90
Jayesh Tradex Private Limited	73.82	48.90
Modi Hitech India Limited	264.52	308.83
Modi Line Travel Services Private Limited	7.03	2.03
Modi Casings & Packaging Private Limited	134.78	1.92
Win-Medicare Private Limited	127.33	-
Moderate Leasing & Capital Services Ltd.	47.21	-
Unsecured Loan taken Outstanding		
Modi Illva India Pvt. Ltd.	24764.92	16643.02
Moderate Leasing & Capital Services Limited	2152.88	1511.86
	26917.80	18154.88



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

Particulars	(Rs. in Lac)	
	2023-24	2022-23
Security Deposit taken outstanding		
Modi Illva India Pvt. Ltd.	29.15	29.15
Win-Medicare Private Limited	3600.00	3600.00
Daya Charitable Trust	0.93	-
Shiva Charitable Trust	0.30	-
	3630.38	3629.15

C) Payment to the Key Management Personnel:	(Rs. in Lac)	
	2023-24	2022-23
i) Amount payable (for gratuity)	3.35	3.35

Foot Note:

The above excludes amount payable/receivable to/from related parties in the books of Steel Unit in view of non-incorporation of Balance Sheets for these years on account of non-availability of opening audited balances as on 01.04.1993.

34. Additional information as required by Schedule III of Companies Act, 2013:

(i) **Prior period Income & Expenses:**

Sl. No.	Particulars	(Rs. in Lac)	
		For the Year ended 31.03.2024	For the Year ended 31.03.2023
(A) Income			
(i) Revenue from operations		-	-
(ii) Other Income		0.40	42.89
Total		0.40	42.89
(B) Expenditure			
(i) Employees Benefit Expenses		0.40	274.27
(ii) Finance Cost		1.13	6.97
(iii) G.S.T. Expenses		6.29	-
(iv) Other expenses (Net of reversal)		91.81	48.09
(v) Depreciation		17.43	-
Total		117.06	329.33

(ii) **Cost of materials consumed:**

Sl. No.	Particulars	(Rs. in Lac)	
		For the Year ended 31.03.2024	For the Year ended 31.03.2023
(a) Sugar cane		35,459.68	33,995.70
(b) Molasses		-	-
(c) Broken Rice		521.50	-
(d) Extra neutral alcohol (ENA)		5,877.15	4,936.67
(e) Vatted Malt Scotch Whisky		5,648.47	4,735.19
(f) Blended Malt Scotch		44.20	260.08
(g) Others		1,966.53	901.62
Total		49,517.53	44,829.26

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

(iii) Manufactured goods:

(Rs. in Lac)

Sl. No.	Particulars	Sales		Opening Inventory		Closing Inventory	
		For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2024	For the year ended 31 March 2023
(a)	Sugar	39,559.77	35,228.14	7,674.56	7,069.21	7,664.20	7,674.56
(b)	Molasses (By product)	3,388.52	3,559.37	673.86	810.61	678.32	673.86
(c)	Bagasse (By product)	1,295.04	1,390.72	37.16	40.64	37.16	37.16
(d)	Indian made foreign liquor (IMFL)*&#	1,29,648.49	* 95,916.31	4,798.29	4,764.37	3,889.56	4,798.29
(e)	Blended Scotch Whisky	43.72	264.41	-	-	-	-
(f)	Bio-organic manure	-	0.41	-	-	-	-
	By Product						
(g)	Dried Distilled Grain (DDGD)	51.28	-	-	-	28.70	-
(h)	Spirit	-	-	0.26	0.26	23.90	0.26
(i)	Special Denatured Spirit	18.22	-	-	-	0.07	-
	TOTAL	1,74,005.04	1,36,359.36	13,184.13	12,685.09	12,321.91	13,184.13

* Exclude Trade Discount Rs.11,316.44 Lac, Breakage Rs.126.54 Lac and Sale in Transit Rs.(-236.30) Lac (Previous year exclude Trade Discount Rs. 8632.57 Lac, Breakage Rs.46.06 Lac and Sale in Transit Rs.35.60 Lac).

Previous year Refer Note No. 21 regarding State Excise Duty adjustment of Rs.1536.83 Lac on Opening Stock on account of change in accounting practice mentioned in Note No. 27(8).

(iv) Traded goods:-

(Rs. in Lac)

Sl. No.	Particulars	Sales		Purchases		Opening Inventory		Closing Inventory	
		For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2024	For the year ended 31 March 2023
(a)	Cane Pesticides	261.56	20.93	348.48	37.58	18.93	-	72.65	18.93
(b)	Welding Electrodes	211.06	17.68	197.94	16.16	-	-	-	-
	Total	472.62	38.61	546.42	53.74	18.93	-	72.65	18.93

(v) Services rendered:-

(Rs. in Lac)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Job Work Income	1,268.98	770.85
Sale of Export Entitlement	-	862.45
Bottling Charges	38.41	27.36
Total	1,307.39	1,660.66

(vi) Work-in-progress:-

(Rs. in Lac)

Sl. No.	Particulars	Opening Inventory		Closing Inventory	
		For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2024	For the year ended 31 March 2023
(a)	Sugar	328.00	323.63	270.36	328.00
(b)	Indian made foreign liquor (IMFL)	130.21	67.86	259.81	130.21
	Total	458.21	391.49	530.17	458.21



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

(vii) Other Information:

(Rs. in Lac)

Particulars		For the year ended 31 March 2024	For the year ended 31 March 2023
(A)	Value of imports on CIF basis:		
	Raw materials(cost of material acquired)	1,405.08	1,600.05
	Raw Material in Transit	673.10	517.24
(B)	Expenditure in foreign currency:		
	Stores purchased	13.65	-
(C)	Earning in foreign exchange		
	Value of Export on FOB basis (including indirect export benefits availed by third parties)	-	-

(Rs. in Lac)

Particulars	For the year ended 31 March 2024		For the year ended 31 March 2023	
	Amount	% age	Amount	% age
(D) Value of imported/indigenous:				
(a) Raw materials consumed:				
(i) Imported	5,888.30	11.89	5,104.18	11.39
(ii) Indigenous	43,629.23	88.11	39,725.08	88.61
Total	49,517.53	100.00	44,829.26	100.00
(b) Spare parts and components consumed:				
(i) Indigenous	960.74	100.00	1,230.63	100.00
Total	960.74	100.00	1,230.63	100.00

Foot-note:-

As segregation between spare parts and components is not possible, the value of consumption of spare parts and components has been aggregated. The figures given in (vii)(D)(b) above are as certified by the Officials of the Company.

35. The ageing schedule for trade receivable, trade payable and capital work in progress are as under:

(a)(i) Trade Receivable ageing schedule as at 31st March, 2024 #

(Rs. in Lac)

Particulars	Outstanding from date of transaction					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed						
i. Considered good	29836.00	4.53	2.97	7.19	0.55	29851.24
ii. Considered doubtful	1288.84	225.62	229.23	179.39	208.05	2131.13
Disputed						
iii. Considered good	-	-	-	-	-	-
iv. Considered doubtful	-	-	-	-	100.35	100.35
Total	31124.84	230.15	232.20	186.58	308.95	32082.72
Less: Provision for doubtful	1288.84	225.62	229.23	179.39	308.40	#2231.48
Net Amount	29836.00	4.53	2.97	7.19	0.55	#29851.24

#Excludes trade receivables (good) of Rs. 1160.40 Lac, Trade receivable (doubtful) Rs.38.85 Lac and provision for doubtful debts of Rs. 38.85 Lac of closed Steel Unit and Unbilled Revenue of Rs.120.12 Lac.

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

(a)(ii) Trade Receivable ageing schedule as at 31st March, 2023#

(Rs. in Lac)

Particulars	Outstanding from date of transaction					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed						
i. Considered good	22820.01	0.05	0.06	1.31	25.29	22846.72
ii. Considered doubtful	1487.94	192.19	227.10	-	416.59	2323.82
Disputed						
iii. Considered good	-	-	-	-	-	-
iv. Considered doubtful	-	-	-	-	79.23	79.23
Total	24307.95	192.24	227.16	1.31	521.11	25249.77
Less: Provision for doubtful	1487.94	192.19	227.10	-	495.82	#2403.05
Net Amount	22820.01	0.05	0.06	1.31	25.29	#22846.72

#Excludes trade receivables (good) of Rs. 1160.40 Lac, Trade receivable (doubtful) Rs.38.85 Lac and provision for doubtful debts of Rs. 38.85 Lac of closed Steel Unit and Unbilled Revenue of Rs.102.32 Lac.

(b)(i) Trade Payable ageing schedule as at 31st March, 2024#

(Rs. in Lac)

Particulars	Outstanding from date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed					
i. MSME	517.45	-	-	-	517.45
ii. Others	28522.01	7.69	25.44	245.12	28800.26
Disputed					
iii. MSME	-	-	-	-	-
iv. Others	-	-	-	-	-
Total	29039.46	7.69	25.44	245.12	29317.71

#Excludes trade payable of Rs.1975.69 Lac of closed Steel Unit and CAD Office of Rs.0.20 Lac.

(b)(ii) Trade Payable ageing schedule as at 31st March, 2023#

(Rs. in Lac)

Particulars	Outstanding from date of transaction				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed					
i. MSME	627.63	1.60	-	-	629.23
ii. Others	28791.17	20.10	34.50	280.49	29126.26
Disputed					
iii. MSME	-	-	-	-	-
iv. Others	-	-	-	-	-
Total	29418.80	21.70	34.50	280.49	29755.49

#Excludes trade payable of Rs.1975.69 Lac of closed Steel Unit and unbilled dues of Rs.4381.21 Lac.



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

(c)(i) Capital Work-in-Progress for financial year 2023-24#

(Rs. in Lac)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	74.90	-	-	-	74.90
Project temporarily suspended	-	-	-	-	-
Total	74.90	-	-	-	74.90

#Excludes figures of Steel Unit Rs.38.06 Lac.

(c)(ii) Capital Work-in-Progress for financial year 2022-23#

(Rs. in Lac)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	924.27	10.84	-	-	935.11
Project temporarily suspended	-	-	-	-	-
Total	924.27	10.84	-	-	935.11

#Excludes figures of Steel Unit Rs.38.06 Lac.

(c) (iii) Capital Work-in-Progress for financial year 2022-23 and 2023-24, whose completion is overdue or has exceeded its cost compared to its original plan.

- There is no Capital Work-in-Progress whose completion is overdue or has exceeded its cost compared to its original plan.

(c) (iv) Capital Work-in-Progress for financial year 2022-23 and 2023-24, project where activity has been suspended.

- No project for Capital Work-in-Progress was suspended during financial years 2022-23 and 2023-24.

36. SEGMENT REPORTING :

(i) The Management has identified following reportable Business Segments for the current year namely:

Sugar comprising of Cane Sugar.

Distillery comprising of liquors and spirit.

Real Estate Services

Engineering Services

Job Work Services (Manufacturing of Electrodes)

(ii) The Steel Unit is lying closed since 24th January, 1993 due to strike/lock-out. In the meanwhile, opening balances (Assets and Liabilities) of the unit as on 1st April, 1992 subject to certain modifications as per Note 27 {4(c)} have been incorporated as Assets & Liabilities of Steel Unit. (Refer Note 27(4)).

Notes forming part of the standalone financial statements for the year ended 31st March, 2024

(iii) Segment-wise information (Primary Segments) for the current year:

(Rs. in Lac)

Particulars	Sugar	Distillery	Real estate services	Engineering services (Job work including procurement)	Job work (Manufacturing of Electrodes)	Total
SEGMENT REVENUE						
Total Sales / Income (Excluding Excise-duty)	44607.23	67688.97	1173.33	33.28	1492.77	114995.58
Add /(Less): Inter Segment Revenue #	(91.81)	-	(24.11)	-	-	(115.92)
Total Sales / Income from operations	44515.42	67688.97	1149.22	33.28	1492.77	114879.66
Segment Result	2021.39	2602.18	840.00	-	(35.63)	5427.94
Add:						
i) Interest Income						27.80
ii) Profit on sale of Fixed Assets						15.33
(iii) Unallocable Income*						148.68
(iv) Amount Written Back						28.42
(v) Unclaimed credit balance written back						29.85
Less:						
(i) Interest Expenses						3210.59
(ii) Unallocable Expenses*						856.61
Exceptional Items						
Intt. on settlement of loan & debentures						(1357.60)
Unclaimed credit balances written back						-
Profit / (Loss) before Tax for the period						253.22
Less: Provision for Tax						-
Profit / (Loss) after Tax						253.22

Excludes inter-unit service expenses Rs.277.74 Lac and Inter-unit commission income of Rs. 4.13 Lac

* Includes Income & Expenses of Corporate Office & CAD/Closed units of the Company.

Other Information

(Rs. in Lac)

Particulars	Sugar	Distillery	Real estate services	Engineering services (Job work including procurement)	Job work (Manufacturing of Electrodes)	Total
Segment Assets @	15189.36	49654.25	See Note Below*	See Note Below*	2517.92	67361.53
Other Unallocable Assets*						5440.18
Total Assets						72801.71
Segment Liabilities	26748.59	47254.24	See Note Below*	See Note Below*	771.59	74774.42
Other Unallocable Liabilities*						21058.26
Total Liabilities #						95832.68



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

Particulars	Sugar	Distillery	Real estate services	Engineering services (Job work including procurement)	Job work (Manufacturing of Electrodes)	Total
Capital Expenditure :	1070.86	3390.98	-	-	220.33	4682.17
(Including Under erection and acquired under finance lease)						
Depreciation	266.68	195.08	-	-	145.16	606.92

* Includes Assets & Liability of Corporate Office, Closed Steel Unit & CAD/Closed Units of the Company.

@ Includes revaluation of Fixed Assets also.

This include Rs.6169.48 Lac being un-reconciled credit balance of Steel Unit, included in other current liabilities i.e. Note No. 8 and Note No. 27(4).

1. The Business operations are concentrated in India only.
2. External Revenue is exclusive of Excise Duty realized.
3. Inter segment revenues between operating segments are accounted for at market price.

(ii) Segment-wise information (Primary Segments) for the previous year:

(Rs. in Lac)

Particulars	Sugar	Distillery	Real estate services	Engineering services (Job work including procurement)	Job work (Manufacturing of Electrodes)	Total
SEGMENT REVENUE						
Total Sales / Income (Excluding Excise-duty)	41005.80	52897.05	1132.66	-	794.43	95829.93
Add /(Less): Inter Segment Revenue #	(1.72)	-	(27.04)	-	-	(28.76)
Total Sales / Income from operations	41004.08	52897.05	1105.62	-	794.43	95801.18
Segment Result	449.82	2891.34	888.17	-	(161.40)	4067.93
Add:						
i) Interest Income						54.26
ii) Profit on sale of Fixed Assets						179.75
(iii) Unallocable Income*						357.92
(iv) Amount Written Back						11.54
(v) Unclaimed credit balance written back						185.95
Less:						
(i) Interest Expenses						1942.69
(ii) Unallocable Expenses*						633.94
Exceptional Items						
Intt. on settlement of loan & debentures						1450.05
Unclaimed credit balances written back						(279.13)
Profit / (Loss) before Tax for the period						1109.80
Less: Provision for Tax						-
Profit / (Loss) after Tax						1109.80

Excludes inter-unit service expenses Rs.79.36 Lac and Inter-unit commission income of Rs. 17.45 Lac

* Includes Income & Expenses of Corporate Office & CAD/Closed units of the Company.



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

Other Information						(Rs. in Lac)
Particulars	Sugar	Distillery	Real estate services	Engineering services (Job work including procurement)	Job work (Manufacturing of Electrodes)	Total
Segment Assets @	14465.27	37413.18	See Note Below*	See Note Below*	2335.38	54213.83
Other Unallocable Assets*						5076.40
Total Assets						59290.23
Segment Liabilities	28360.31	32639.42	See Note Below*	See Note Below*	742.24	61741.97
Other Unallocable Liabilities*						20832.45
Total Liabilities #						82574.42
Capital Expenditure :	1591.62	1237.42	-	-	601.89	3430.93
(Including Under erection and acquired under finance lease)						
Depreciation	232.14	128.84	-	-	106.79	467.77

* Includes Assets & Liability of Corporate Office, Closed Steel Unit & CAD/Closed Units of the Company.

@ Includes revaluation of Fixed Assets also.

This include Rs.7420.64 Lac being un-reconciled credit balance of Steel Unit, included in other current liabilities i.e. Note No. 8 and Note No. 27(4).

- The Business operations are concentrated in India only.
 - External Revenue is exclusive of Excise Duty realized.
 - Inter segment revenues between operating segments are accounted for at market price.
37. The ratios as per the latest amendment to Schedule III are as below:

Particulars	Year ended 31.03.2024	Year ended 31.03.2023	% of Change
(1) CURRENT RATIO (Total current assets/Current liabilities) Current Assets excluding figures of Steel Unit. {Current liabilities: Total current liabilities - liabilities of Steel Unit}	0.66	0.65	1.53
(2) INVENTORY TURNOVER RATIO (In days) {Average Inventory(excluding of Steel Unit)/Sale of products in days}	36	45	20
(3) TRADE RECEIVABLES TURNOVER RATIO (In days) (Average trade receivables/Turnover in days) [Turnover: Revenue from Operations]	55	49	12.24
(4) TRADE PAYABLES TURNOVER RATIO (In days) (Average trade payable@/Expenses #) [# excludes finance cost, depreciation, employee benefit expenses, provision for doubtful debts and advances and expenses of Electrode, Paint and Gas Units for previous five years and expenses of Steel Unit] @trade payable excludes amount relating to Steel.	112	132	15.15
(5) NET PROFIT RATIO(%) {Net profit after tax / Turnover} (Refer Foot Note No. v) [Turnover: Revenue from operations (Net of Excise Duty)]	0.22	1.16	80.97
(6) RETURN ON INVESTMENT (%) (Dividend Income/Investment)	14.41	5.89	144.85



Notes forming part of the standalone financial statements for the year ended 31st March, 2024

Foot Notes:

- (i) These ratios stated above are subject to Note No. 27(4) of the Standalone Financial Statements i.e. non-incorporation of Balance Sheets of Steel Unit.
- (ii) Explanation for changes in the Ratio by more than 25% as compared to the preceding year are as under:
 - (a) Net profit ratio changed mainly on account of increase in interest expense by Rs.1,733.86 Lac.
 - (b) Return on investment ratio increased on account of increase in dividend income by Rs. 63.00 Lac as compared to the previous year.
- (iii) In view of negative equity (equity capital + reserves and surplus) and negative average working capital, following ratios are not computed:
 - (a) Debt Equity Ratio
 - (b) Return on Equity
 - (c) Return on Capital Employed
 - (d) Net Capital turnover ratio
- (iv) In view of non-incorporation of Balance Sheet of Steel Unit and non-provision of interest on loans, Debt Service coverage ratio is not computed.
- (v) Average trade payables and receivables exclude amount relating to closed Steel.

38. Previous year's figures have been regrouped wherever necessary.

The accompanying notes are an integral part of the Standalone Financial Statements.

For and on behalf of the Board of Directors of Modi Industries Limited

As per our report of even date.

For P. R. Mehra & Co.,
Chartered Accountants,
(Regn.No.000051N)

Umesh Kumar Modi
(DIN-00002757)
Chairman & Managing Director

Rakesh Kumar Modi
(DIN 00022386)
Director

Laxman Prasad
Partner
Membership No. 013910
Dated: 17th August, 2024
Place: Modinagar

Shobit Nehra
(ACS-31863)
Company Secretary, DGM (Legal)



PROXY FORM (FORM NO. MGT-11)

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

Name of the company : **MODI INDUSTRIES LIMITED** Tel: 01232- 243115, 9084786567
CIN : **U15429UP1932PLC000469** Email: modiindustrieslimited@gmail.com
Registered Office : MODINAGAR-201204. (U.P.) Website: www.modiindustries.net

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

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

	(1)	(2)	(3)	(4)
Name				
Address				
E-mail ID				
	or failing him/her	or failing him/her		

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 90th Annual General Meeting of the company, to be held on **Monday, the 30th September, 2024 at 3:30 P.M.** at **Auditorium, Dayawati Modi Public School , Modinagar-201204, District - Ghaziabad (U.P.)** and at any adjournment thereof in respect of such resolutions as are indicated below:

I/We wish my/our above Proxy to vote in the manner as indicated in the box below:

Resolutions		For	Against
1.	Consider and adopt Audited Financial Statement, Reports of the Board of Directors and Auditors thereon.		
2.	(a) Re-appointment of Shri Vinay Kumar Modi as Director, retiring by rotation		
	(b) Re-appointment of Shri Jayesh Modi as Director, retiring by rotation		
3.	Appointment of Shri Avinash Kumar Modi as Director of the Company.		
4.	Consider and approve the appointment of Shri Avinash Kumar Modi and remuneration payable to him as Director of the Company designated as Executive Director (Head Office)		
5.	Ratification of remuneration payable to Cost Auditors		

Signed this day of September, 2024

.....
Signature of first proxy holder :

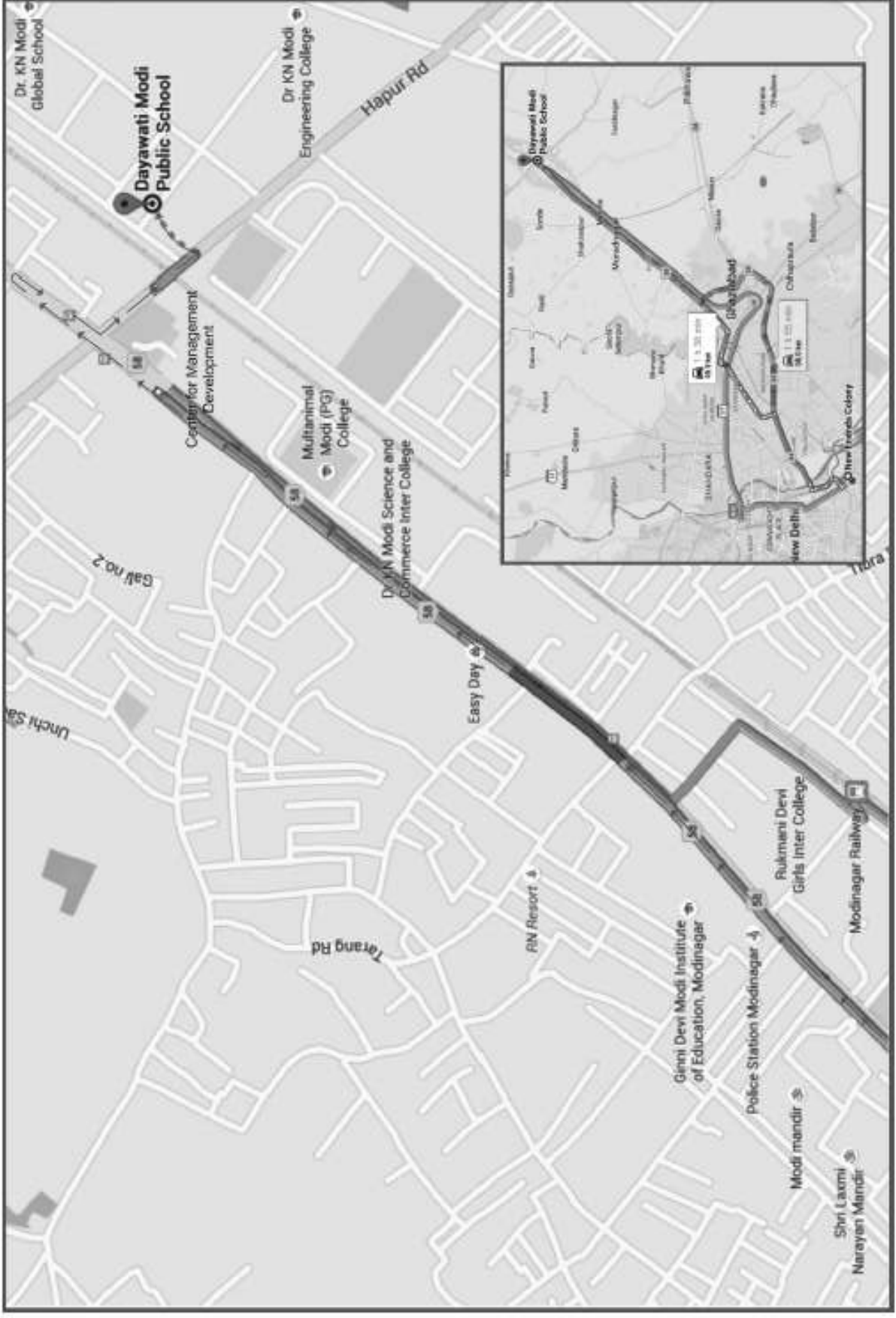
.....
Signature of second proxy holder:

.....
Signature of third proxy holder

Signature of shareholder

Note: : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Route Map of the Venue of the 90th Annual General Meeting



**Auditorium, Dayawati Modi Public School,
Modinagar-201204 (U.P)**

BY COURIER

ANNUAL REPORT 2023-24

To,

If Undelivered please return to:

MODI INDUSTRIES LIMITED

CIN-U15429UP1932PLC000469

Regd. Office: Modinagar - 201204 (U.P.),

Tel: 01232-243115, 9084786567

Email: modiindustrieslimited@gmail.com

Website: www.modiindustries.net