

# SHRADHA AI TECHNOLOGIES LIMITED

(Formerly known as Shradha Industries Limited)

CIN: L51227MH1990PLC054825

Registered Office: 1<sup>st</sup> floor, 345, Shradha House, Kingsway Road, Nagpur — 440001, Maharashtra, India

Email id: shradhaindustriestlimited1@gmail.com,

Website: <https://shradhaatechnologies.com/>, Phone No.: 0712-6617181/82

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Through Online Filing

SAITL/CS/368

Wednesday, 26<sup>th</sup> June 2024

To,

Listing Compliance Department,

Metropolitan Stock Exchange of India Limited (MSE),

Vibgyor Towers, 4th Floor, Plot No C-62,

Opp. Trident Hotel, Bandra Kurla Complex,

Bandra (E), Mumbai – 400098

To,

BSE Limited

Phiroze Jeejeebhoy Towers,

Dalal Street,

Mumbai – 400001

*Symbol : SHRAAITECH*

*ISIN No. : INE489B01023*

*Scrip Code: 543976*

**Subject : Intimation pursuant to Regulation 30 and Regulation 34 for the Thirty-Fifth (35<sup>th</sup>) Annual General Meeting of the Company for the Financial Year 2023-2024.**

Dear Sir/Madam,

Pursuant to Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), we are enclosing herewith a copy of Annual Report and the notice of the Thirty-Fifth (35<sup>th</sup>) Annual General Meeting of the Company for the Financial Year 2023-2024 to be held on Friday the 19<sup>th</sup> July 2024 at 11.30 A.M. through video conferencing(‘VC’)/other audio visual means (‘OVAM’) to transact the business as set out in the notice convening the 35<sup>th</sup> Annual General Meeting.

The said Notice and Annual Report for the financial year 2023-2024 is being sent only through electronic mode to the shareholders of the Company at their registered e-mail addresses and the same has also been uploaded on the website of the Company at <https://shradhaatechnologies.com/>.

You are requested to take the same on records.

Thanking you.

Yours faithfully,

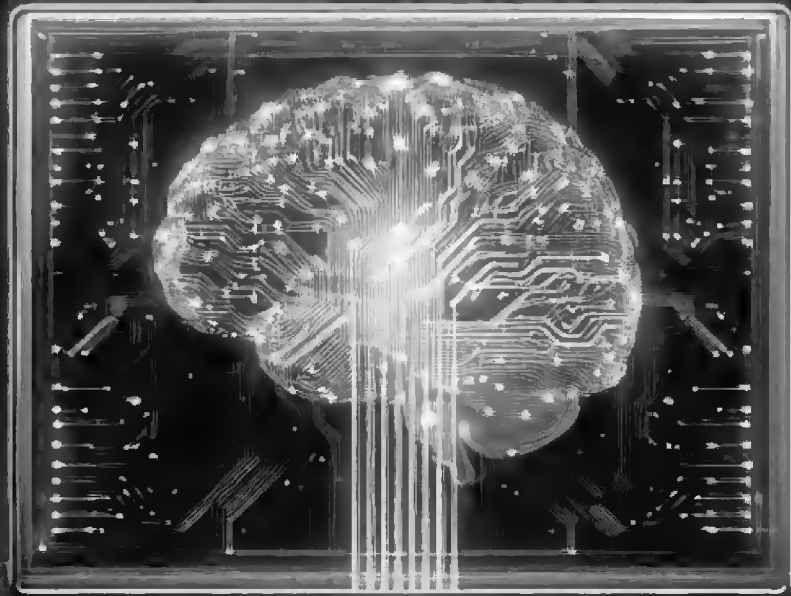
**For SHRADHA AI TECHNOLOGIES LIMITED**

(Formerly known as Shradha Industries Limited)

**Harsha Bandhekar**

**Company Secretary & Compliance Officer**

**ICSI Membership No. A54849**



ANNUAL

REPORT

**35<sup>TH</sup>**

**FINANCIAL YEAR**

**2023 - 2024**

**SHRADHA AI TECHNOLOGIES LIMITED**

(FORMERLY KNOWN AS SHRADHA INDUSTRIES LIMITED)

**CIN: L51227MH1990PLC054825**



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For Kind Attention of Shareholders

## CORPORATE OVERVIEW:

<p><b>BOARD OF DIRECTORS</b></p> <p>Mr. Sunil Raisoni Managing Director (DIN : 00162965)</p> <p>Mrs. Archana Pankaj Bhole Non-Executive, Non-Independent Director (DIN : 06737829)</p> <p>Mr. Kalpesh Bafna Non-Executive, Independent Director (DIN : 07484027)</p> <p>Ms. Anjana Tolani Non-Executive, Independent Director (DIN : 09794298)</p> <p>Mr. Ajay Kumar Gandhi Non-Executive, Independent Director (DIN : 09516767)</p> <p>Mr. Vineet Ladhania Non-Executive, Independent Director (DIN : 08113413)</p> <p>Mr. Pritam Raisoni Chief Financial Officer (CFO)</p>	<p><b>BOARD COMMITTEES</b></p> <p><b>Audit Committee</b></p> <p>Ms. Anjana Tolani - Chairman (Non-Executive, Independent Director)</p> <p>Mr. Vineet Ladhania - Member (Non-Executive, Independent Director)</p> <p>Mr. Kalpesh Bafna - Member (Non-Executive, Independent Director)</p> <p><b>Nomination and Remuneration Committee</b></p> <p>Mr. Ajay Kumar Gandhi - Chairman (Non-Executive, Independent Director)</p> <p>Mr. Vineet Ladhania - Member (Non-Executive, Independent Director)</p> <p>Mr. Kalpesh Bafna - Member (Non-Executive, Independent Director)</p> <p><b>Stakeholders Relationship Committee</b></p> <p>Mr. Ajay Kumar Gandhi - Chairman (Non-Executive, Independent Director)</p> <p>Mr. Vineet Ladhania - Member (Non-Executive, Independent Director)</p> <p>Mr. Kalpesh Bafna - Member (Non-Executive, Independent Director)</p> <p><b>Corporate Social Responsibility (CSR) Committee</b></p> <p>Mr. Kalpesh Bafna - Chairman (Non-Executive, Independent Director)</p> <p>Mr. Sunil Raisoni - Member (Managing Director)</p> <p>Mr. Ajay Gandhi - Member (Non-Executive, Independent Director)</p>
<p><b>COMPANY SECRETARY &amp; COMPLIANCE OFFICER</b></p> <p>Ms. Harsha Bandhekar Company Secretary (ICSI Membership No. : ACS 54849)</p>	<p><b>STATUTORY AUDITORS</b></p> <p>M/s. Paresh Jairam Tank &amp; Co., (Firm Registration No. 139681W), Chartered Accountants, Nagpur.</p> <p><b>INTERNAL AUDITORS:</b></p> <p>M/s V. K. Surana &amp; Co., (ICAI Firm Registration No. 110634W) Chartered Accountants, Nagpur.</p>
<p><b>BANKERS</b></p> <p>IDBI Bank Limited Wardhaman Urban Co-Operative Bank Limited ICICI Bank Limited</p> <p><b>WEBSITE</b></p> <p><a href="https://shradhaaitechnologies.com/">https://shradhaaitechnologies.com/</a></p>	<p><b>REGISTERED OFFICE</b></p> <p>1<sup>st</sup> floor, 345, Shradha House, Kingsway Road, Nagpur - 440001, Maharashtra, India</p> <p><b>Skyline Financial Services Private Limited</b> <b>Registered Office:</b> 4/505, Dattani Plaza, Andheri Kurla Road, Safeed Pool, Mumbai- 400072., Maharashtra, India</p>

## MANAGEMENT TEAM



**Mr. Sunil Raisoni**  
Managing Director



**Mrs. Archana Bhole**  
Non- Executive, Non-Independent Director



**Mr. Pritam Raisoni**  
Chief Financial Officer



**Ms. Anjana Tolani**  
Non-Executive, Independent Director



**Mr. Kalpesh Bafna**  
Non-Executive, Independent Director



**Mr. Vineet Ladhania**  
Non-Executive, Independent Director



**Mr. Ajay Kumar Gandhi**  
Non-Executive, Independent Director

## CHAIRMAN'S SPEECH



### DEAR STAKEHOLDERS,

I trust and hope you and your families are doing well. I am delighted to share my thoughts on your company's performance in FY 2023-24. FY 2023-24 was a remarkable year in the history of Shradha AI Technologies Limited.

During the FY 2023-2024 the Company has celebrated a significant milestone, as on September 11, 2023 your Company get listed on Main Board of BSE Limited. This success is a testament to your trust and confidence in our vision and value proposition.

Your company's financial performance in the last few years has been robust. Your Company has earned a net profit of Rs. 639.15 /- lakhs for the FY 2023- 2024 as compared to corresponding figure in the previous year which was at Rs. 71.01/- lakhs

for the year 2022-2023 The total revenue from the operations for the year ended March 31, 2024 was at Rs. 1727.41/- lakhs as against Rs. 520.44/- lakhs in the previous year.

Your company's workforce, professionals remains our greatest asset. Through learning initiatives and our Diversity, Equity, and Inclusion programs, we ensure our people have the skills and opportunities to excel. Your company's inclusive culture fosters innovation and collaboration, driving our mission forward. Your company's commitment to community service is steadfast. Through CSR initiatives we are dedicated to providing education and upskilling opportunities, helping our communities to live better lives.

As I look ahead, I am more optimistic than ever about the enormous opportunity ahead of us. The manufacturing industry will continue to be transformed by the move towards software-defined and Gen AI-enabled products and your company is the best-positioned service provider to partner with many of these companies as they leverage technology to secure their future success.

I extend my deepest gratitude to all our shareholders, whose trust and support have been instrumental in our achievements. We remain committed to leading our industry in software-defined services and developing more sustainable automotive solutions, creating innovative solutions for our customers and society. Together, we are building a sustainable future for the automotive industry and beyond, true to our vision of engineering a better world.

Thank you for your continued trust and support. Together, we will engineer a future that is safer, greener, and more prosperous for all.

With Best Wishes,

Sd/-

**Sunil Raison**

**Managing Director**

## BOARD'S REPORT

To  
**The Members,**  
**Shradha AI Technologies Limited**  
**(Formerly known as Shradha Industries Limited)**

Your Directors have immense pleasure in presenting the Thirty-Fifth (35th) Annual Report of your Company together with the Audited Financial Statements for the financial year 2023-2024 ended 31st March, 2024.

### 1. FINANCIAL PERFORMANCE:

#### a. FINANCIAL SUMMARY AND HIGHLIGHTS:-

Key highlights of the financial results of your Company prepared as per the Indian Accounting Standards ("Ind AS") for the financial year ended March 31, 2024 are as under:

(Amount in Lakhs)

Particulars	Current Financial Year 2023-2024	Previous Financial Year 2022-2023
Revenue from Operation	1727.41	520.44
Other Income	149.97	120.30
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	872.23	106.57
Less: Depreciation/ Amortisation/ Impairment	5.86	0.03
Profit /loss before Finance Costs, Exceptional items and Tax Expense	866.37	106.54
Less: Finance Costs	3.44	0.00
Profit / Loss before Exceptional items and Tax Expense	862.93	106.54
Add/(less): Exceptional items	--	--
<b>Profit before Tax (PBT)</b>	<b>862.93</b>	<b>106.54</b>
Less: Tax Expense (Current & Deferred)	223.78	35.53
<b>Profit after Tax (PAT) (1)</b>	<b>639.15</b>	<b>71.01</b>
Other Comprehensive Income/loss (2)	956.81	305.82
<b>Total Comprehensive Income (1+2)</b>	<b>1595.96</b>	<b>376.84</b>
<b>Earning Per Share (in Rs.)</b>	<b>2.70</b>	<b>1.86</b>

The financial performance of the Company for the year 2023-2024 ended on 31st March, 2024 is summarized below (Rs. In lacs):

- During the current financial year 2023-2024 ended 31st March 2024, the Company's total Revenue from operation is Rs. 1727.41/- as against Rs. 520.44/- in the corresponding previous financial year 2022-2023 ended 31st March 2023.
- Income from other sources is Rs. 149.97/- as against Rs. 120.30/- in the corresponding Previous financial year 2022-2023 ended 31st March 2023.
- The Profit after tax (PAT) for the financial year 2023-2024 ended 31st March 2024 is Rs. 639.15/- as against Profit of



Rs. 71.01 /- of the corresponding previous financial year 2022-2023 ended 31st March 2023.

- The Total Comprehensive Income for the financial year 2023-2024 ended 31st March 2024 is Rs. 1595.96/- as against Total Comprehensive Income of Rs. 376.84/- of the corresponding previous financial year 2022-2023 ended 31st March 2023.
- Earnings per share as on 31st March 2024 is Rs. 2.70/- vis a vis Rs. 1.86 /- as on 31st March 2023.

**b. TRANSFER TO RESERVES:-**

As per financials, the net movement in the Reserves of the Company as at 31st March 2024 (Financial year 2023-2024):

Sr. No.	Particulars	Financial Year 2023-2024	Financial Year 2022-2023
<b>Amount in Lacs</b>			
1	Securities Premium Reserve	624.50	624.50
2	Capital Redemption Reserve	2.00	2.00
3	General Reserve	213.03	213.03
4	Investment Revaluation Reserve	1919.85	1091.96
5	Surplus in Statement of Profit and Loss	1607.20	991.52
<b>Total Reserves and Surplus</b>		<b>4366.57</b>	<b>2923.00</b>

The Members are advised to refer the Note No. 17 as given in the financial statements which forms the part of the Annual Report for detailed information.

**c. DIVIDEND:-**

During the Financial Year 2023-2024 under review, the Board of Directors of your Company has at its Meeting held on 02nd November 2023 declared an Interim Dividend @ 10% i.e. RS. 0.50/- Paise (Fifty Paise Only) per Equity Share of face value of Rs. 05/- each fully paid-up for the current financial year 2023-2024 ended 31st March 2024 which was paid to the members, whose names appeared on the Register of Members of the Company on 17th November 2023;. The Gross interim dividend payout, was Rs. 121.91 Lakhs.

Your Directors recommended a final dividend @ 15% i.e. Rs. 0.75 Paise/- (Seventy five paise Only) per Equity Share of face value of Rs.05/- each to be appropriated from the profits of the year 2023-2024 subject to the approval of the shareholders (members) at the ensuing Thirty Fifth (35th) Annual General Meeting and will be paid to those members whose names appear on the Register of Members on Friday, 05th July 2024 ("Record Date"). Our Company has formal dividend distribution policy and the said dividend pay-out is in compliance with the applicable Secretarial Standard -3 (SS-3) on Dividend issued by the Institute of Company Secretaries of India and the Policy can be accessed at: <https://shradhaitechnologies.com/investor-info>

**d. CHANGES IN CAPITAL AND DEBT STRUCTURE :**

During the financial year 2023-2024 under review, the Company has made changes in the capital structure of the Company. The members of the Company in their Extra-Ordinary General Meeting held on 09th September 2023, approved the Sub-division of Share Capital of the Company, accordingly, the Share Capital of the Company, was sub-divided from One [01] Equity Share of face value of Rs.10/- (Ten) each fully paid up into Two [02] Equity Shares of face value of Rs.5/- (Five) each fully paid up. The revised capital Structure of the Company is as follows:-

(Amount in ₹)

Particulars	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
<b>Authorised Share Capital</b> <b>For FY 2023-24:</b> 2,46,80,000 Equity Shares of Rs. 05/- each and 1,60,000 Preference Shares of Rs. 10/- each <b>For FY 2022-23:</b> 1,23,40,000 Equity Shares of Rs. 10/- each and 1,60,000 Preference Shares of Rs. 10/- each	12,50,00,000	12,50,00,000
<b>Issued, Subscribed and Paid-Up Share Capital</b> <b>For FY 2023-24:</b> 2,43,80,968 Equity Shares of Rs. 05/- each <b>For FY 2022-23:</b> 1,21,90,484 Equity Shares of Rs. 10/- each	12,19,04,840	12,19,04,840

**i. Disclosure Under Section 43(A)(ii) Of The Companies Act, 2013 :-**

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a) (ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is included in the report.

**ii. Disclosure Under Section 54(1)(D) Of The Companies Act, 2013 :-**

The Company has not issued any sweat equity shares during the year under review and hence the provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 are not applicable.

**iii. Disclosure Under Section 62(1)(B) Of The Companies Act, 2013 :-**

The Company does not have any Employees Stock Option Scheme and hence the provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 are not applicable.

**iv. Disclosure under Section 67(3) of the Companies Act, 2013:**

During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

**v. Transfer To Investor Education And Protection Fund (IEPF) :**

Pursuant to the provisions of Sections 124, 125 and other applicable provisions, if any, of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (hereinafter referred to as 'IEPF Rules'), all the unpaid and unclaimed dividends are required to be transferred by the Company to the Investor Education and Protection Fund ('the IEPF') established by the Government of India, after the completion of Seven Years.

However, there was no amount liable or due to be transferred to Investor Education and Protection Fund during the financial year 2023-2024 ended 31st March 2024.

**● CHANGES IN DEBT STRUCTURE :-**

**Debentures / Bonds / Warrants or Any Non-Convertible Securities:**

During the year under review, the Company has not issued any debentures, bonds, warrants or any non-convertible

securities. As on date, the Company does not have any outstanding debentures, bonds warrants or any non-convertible securities.

● **CREDIT RATING OF SECURITIES :**

During the financial year 2023-2024 under review the Company has not taken or issued any unsupported bank borrowings or plain vanilla bonds or any debt instruments and neither has obtained any credit rating from credit rating agencies.

e. **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS :**

Reference may be made to Note No. 12 of the Financial Statements for loans to Bodies Corporate. As regards details of Investments in Bodies Corporate are given in Note No. 5 of the Standalone Financial Statements.

f. **DETAILS OF DEPOSITS :**

During the financial year 2023-2024 ended 31st March 2024 under review, the Company has neither invited nor accepted any public deposits within the meaning of Section 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (as amended). As such, no specific details prescribed in Rule 8(1) of the Companies (Accounts) Rules, 2014 (as amended) are required to be given or provided.

**2. BUSINESS AND OPERATIONS:**

i. **State Of The Company's Affairs :-**

In the financial year 2023-24, Shradha AI Technologies Limited embarked on a new chapter in its growth trajectory with our successful direct listing on the Main Board of BSE. This strategic move has not only enhanced our visibility in the marketplace but also strengthened our capital base, enabling us to further our expansion and innovate within our core business segments.

**Segment 1- Wholesale Trading of Hardware**

Our hardware trading segment has continued to show robust performance this year. We have successfully expanded our product range and penetrated new geographic markets. Key partnerships with reliable suppliers have been instrumental in ensuring product quality and consistency, vital for customer satisfaction and retention. Despite volatile market conditions, we have managed to sustain a steady growth in sales volume, attributed to our dynamic pricing strategy and exceptional service delivery.

**Segment 2- Development and Maintenance of Software**

The software segment has been pivotal in our transformation towards integrating more technology-driven solutions across our operations. Our focus has been on developing customized solutions for small to medium enterprises (SMEs), a niche that presents considerable growth opportunities. Our maintenance and customer support services have also expanded, driven by our commitment to ensuring high client satisfaction and retention rates. The development team has been strengthened with the addition of skilled personnel, aimed at boosting our innovation capabilities and speeding up the deployment of new software updates and features.

Discussion on state of Company's affairs has been covered in the Management Discussion and Analysis Report.

ii. **Change In The Nature Of Business :-**

There is no change in the nature of business during the financial year 2023-24.

iii. **Material Changes And Commitments, If Any, Affecting The Financial Position Of The Company Having Occurred Since The End Of The Year And Till The Date Of The Report :-**

There have been no material changes and commitments, since the closure of the Financial Year ended 31st

March 2024 up to the date of this Report that would affect your Company's financial position.

**iv. Details Of Revision Of Financial Statement Or The Board's Report:-**

There is no occasion whereby the Company has either revised or required to revise the Financial Statements or the Board's Report of the Company in respect of any of the three preceding financial years either voluntarily or pursuant to the order of any judicial authority. As such, no specific details are required to be given or provided.

**3. GOVERNANCE AND ETHICS :**

● **Corporate Governance:**

Your Company embeds sound Corporate Governance practices and constantly strives to adopt emerging best practices. It has always been the Company's endeavour to excel through better Corporate Governance and fair and transparent practices. A Report on Corporate Governance forms part of this Report.

A Certificate from CS Riddhita Agrawal, Practicing Company Secretary, conforming compliance to the conditions of Corporate Governance as stipulated under Regulation 27 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this Report.

● **Board's Composition and Independence**

The Board of the Company is duly constituted. None of the directors of the Company is disqualified under the provisions of the Act or the Listing Regulations. The Board of Directors of your Company comprises of Six (6) Directors out of which One (1) is Executive Director, One (1) Non-Executive and Non-Independent Director and Four (4) are Non-Executive and Independent Directors as on 31st March, 2024.

The Board at its meeting held on 13th October, 2023 had appointed Mr. Vineet Ladhania (DIN: 08113413) as an Additional Director in the category of Independent Director of the Company with effect from 13th October, 2023 upon recommendation of the Nomination and Remuneration Committee. Further, the shareholders of the Company had approved the appointment of Mr. Vineet Ladhania (DIN: 08113413) as an Independent Director at the extra Ordinary General Meeting held on 06th November 2023.

The Shareholders of the Company had approved the re-appointment of Mr. Ajay Kumar Gandhi (DIN: 09516767) as an Independent Director for the second term of consecutive One (01) year, i. e from the conclusion of 07th November 2023 up to 06th November, 2024 and reappointment of Ms. Anjana Tolani (DIN: 09794298) as an Independent Director for the second term consecutive One (01) year, i. e from the conclusion of 18th November 2023 up to 17th November, 2024.

During the FY 2023-24, Mr. Swapnil Shivkumar Agrawal (DIN: 01709908), ceased to be an Independent Director of the Company w.e.f 06th November, 2023 upon completion of his tenure.

In accordance with the provisions of the Act and Articles of Association of the Company, Mrs. Archana Bhole (DIN: 06737829), Non-Executive, Non Independent Director, retires by rotation and being eligible, offers herself for reappointment at the ensuing AGM. Her appointment is placed for approval of the members and forms part of the notice of the 35th AGM. The information about the Director seeking re-appointment as per Secretarial Standards on General Meetings and Regulation 36(3) of the Listing Regulations has been given in the notice convening the 35th AGM.

The changes in the composition in the Board of the Company briefly explained in the Corporate Governance Report of the Company. The present composition of the Board of Directors and Key Managerial Personnel is as follows:

The present composition of the Board of Directors and Key Managerial Personnel is as follows:

1	Mr. Sunil Raisoni (DIN 00162965)	:	Managing Director
2	Mrs. Archana Pankaj Bhole (DIN 06737829)	:	Director (Non-Executive, Non-Independent)
3	Ms. Anjana Tolani (DIN 09794298)	:	Director (Non-Executive, Independent)
4	Mr. Kalpesh Bafna (DIN 07484027)	:	Director (Non-Executive, Independent)
5	Mr. Ajay Kumar Gandhi (DIN 09516767)	:	Director (Non-Executive, Independent)
6	Mr Vineet Ladhania (DIN: 08113413)	:	Director (Non-Executive, Independent)
7	Mr. Pritam Raisoni	:	Chief Financial Officer (CFO)
8	Ms. Harsha Bandhekar (ICSI Membership No. ACS 54849)	:	Company Secretary & Compliance Officer

● **Disqualifications of Directors:-**

During the financial year 2023-2024 under review, the Directors of the Company have made necessary disclosures, as required under various provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and accordingly the Company has received Form DIR-8 from all Directors as required under the provisions of Section 164(2) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014. The Board noted the same. The Company in conformity of compliance with the conditions as stipulated under Listing Regulations and Non-disqualification of Directors has obtain a certificate from CS Riddhita Agrawal, Company Secretary in Practice, Mumbai (Membership No. FCS 10054 & Certificate of Practice No. 12917), that none of the Directors of your Company is disqualified and is annexed to the Corporate Governance Report of the Company.

● **Independent Directors:-**

During the year under review, pursuant to the recommendation of the Nomination and Remuneration Committee, the Board approved appointment of Mr Vineet Ladhania (DIN: 08113413) w.e.f. 13th October 2023 and re-appointment of Mr. Ajay Kumar Gandhi (DIN 09516767) and Ms. Anjana Tolani (DIN 09794298) for a period of One (01) year w.e.f. 07th November 2023 and 18th November 2023 respectively. Mr. Swapnil Shivkumar Agrawal, (DIN – 01709908) ceased to be as an Independent Director of the Company due to expiration of his term.

Further, the said appointments/ re-appointments was approved by shareholders of the Company vide special resolutions at an extra ordinary general meeting of the Company which was held on dated 06th November 2023.

● **Declaration By Independent Directors And Statement On Compliance Of Code Of Conduct:-**

The Company has received declarations from the Independent Directors of the Company, to the effect that they (i) meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ["Listing Regulations"] and also, duly complied with Code of Conduct prescribed in Schedule IV to the Act; (ii) was or is not disqualified from being appointed and/or continued to act, as a Director of the Company in terms of the provisions of Section 164 of the Companies Act, 2013; and (iii) was or is not debarred from holding the office of a Director pursuant to any order of the SEBI or such other authority.

The Board has laid down a Code of Conduct and Ethics for the Board Members and Senior Management Personnel of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for financial year 2023-2024.

- **Board Meetings:-**

During the Financial Year 2023-2024, the Board of Directors met Nine (9) times i.e., on (1) 15th April 2023, (2) 15th May 2023, (3) 24th July 2023, (4) 11th August 2023, (5) 21st August 2023 (6) 11th September 2023 (7) 13th October 2023 (8) 02nd November 2023 and (9) 24th January 2024. The maximum gap between any two consecutive meetings was less than one hundred and twenty days, as stipulated under Section 173(1) of the Act, and Regulation 17(2) of the Listing Regulations and the Secretarial Standard by the Institute of Company Secretaries of India. The details of which are given in the Corporate Governance Report.

- **Committees of the Board:-**

The Board has in place the Committee(s) as mandated under the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are currently three Committees of the Board, namely:

- 1) Audit Committee
- 2) Nomination and Remuneration Committee
- 3) Stakeholders' Relationship Committee
- 4) Corporate Social Responsibility Committee

Details of terms of reference of the Committees, Committee membership changes, and attendance of Directors at meetings of the Committees are provided in the Corporate Governance report, which forms part and parcel of this Report. In addition, the Board constitutes other committees to perform specific roles and responsibilities as may be specified by the Board from time to time.

- **Company's Policy On Director's Appointment And Remuneration :-**

In terms of Section 178 of the Act and Regulation 19 of the Listing Regulations, the Board of your Company, on recommendation of the Nomination and Remuneration Committee ('NRC'), had adopted a "Remuneration Policy for Directors, Key Managerial Personal ('KMP') and other employees" ('Remuneration Policy').

The Company's Remuneration Policy is directed towards designing remuneration so as to attract, retain, and reward talent who will contribute to long term success of the Company and build value for its shareholders. The said policies are made available on the Company's website, which can be accessed using the link <https://shradhaatechnologies.com/investor-info>.

- **Board Evaluation :-**

Pursuant to applicable provisions of the Act and the Listing Regulations, the Board, in consultation with its Nomination and Remuneration Committee, has formulated a framework containing, inter alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and individual directors, including Independent Directors. The framework is monitored, reviewed and updated by the Board, in consultation with the Nomination and Remuneration Committee, in accordance with the compliance requirements.

Evaluation of Directors was based on criteria such as participation and contribution in Board and Committee meetings, representation of shareholder interest and enhancing shareholder value, experience and expertise to provide feedback, and guidance to top management on business strategy, governance, risk and understanding of the organization's strategy, etc.

## 6.9 REMUNERATION OF DIRECTORS AND EMPLOYEES OF LISTED COMPANIES:-

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

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

Name of Director	Designation	Ratio to Median Remuneration
Mr. Sunil Raison	Managing Director	5.75:1

- b) The percentage increase in remuneration of each director, Chief Financial Officer, Company Secretary in the financial year :

Name of the Directors & KMPs other than Directors	Designation	% Increase in remuneration in the financial year 2023-2024
Mr. Sunil Raison	Managing Director	No change
Mr. Pritam Raison	Chief Financial Officer	NA
Ms. Harsha Bandhekar	Company Secretary	25.03%

- c) In the financial year 2023-24, there was an increase of 5.54% in the median remuneration of employees.  
d) The number of permanent employees on the rolls of Company as on 31st March 2024:- 84.  
e) Affirmation: Remuneration paid to Director/s, Key Managerial Personnel (KMP) and Employees of the Company is as per the remuneration policy of the Company.

● **Remuneration Received By Managing / Whole Time Director From Holding Or Subsidiary Company :-**

The Company does not have any Holding Company or subsidiary Company within the meaning of Section 2(46) and Section 2(87) respectively of the Companies Act 2013 and therefore the disclosure under the provisions of Section 197(14) of the Companies Act 2013 read with the rules made there under, towards payment of any commission or remuneration from Holding or Subsidiary Company is not applicable.

● **Directors' Responsibility Statement :-**

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

- in the preparation of the Annual Accounts (Financial Statements), the applicable Accounting Standards had been followed along with proper explanation, relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that financial year;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors had prepared the Annual Accounts (Financial Statements) on going concern basis;
- the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively; and
- the Directors had devised proper system to ensure compliance with the provisions of all applicable laws and regulations and that such systems were adequate and operating effectively.

● **Related Parties Transaction:**

During the year, the Company had entered into contract/arrangement/transaction with related parties which were on arms' length basis. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is enclosed as "**Annex - A**" to this Report. Systems are in place for obtaining prior omnibus approval of the Audit & Risk Management Committee on an annual basis for transactions with related parties which are of a foreseeable and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted and a statement giving details of all transactions with related parties are placed before the Audit Committee for their review on a periodic basis. The Company has formulated a policy for dealing with related party transactions which is also available on website of the Company at <https://shradhaaitechnologies.com/>.

● **Vigil Mechanism / Whistle Blower Policy :**

The Company has formulated a comprehensive Whistle Blower Policy in line with the provisions of Section 177(9) and 177(10) of the Act and Regulation 22 of the Listing Regulations with a will to enable the stakeholders, including directors, individual employees to freely communicate their concerns about illegal or unethical practices and to report genuine concerns to the Audit Committee of the Company. The Whistle Blower Policy has been placed in the website of the Company at <https://shradhaaitechnologies.com/>.

- **Risk Management :**

The Company is aware of the risks involved in the business. It conducts regular analysis and takes remedial actions to manage/mitigate the situation. Your Company has implemented a mechanism for risk management and formulated a Risk Management Policy. The Company has been consciously following a policy of risk management by diversifying its products, services, markets and customers. The Risk Management is overseen by the Audit Committee of the Company on a continuous basis.

#### 4. INTERNAL FINANCIAL CONTROLS AND AUDIT

- **Internal Financial Controls :-**

Adequate internal financial controls are in place which ensures the reliability of financial and operational information. The regulatory and statutory compliances are also ensured. The internal control systems and procedures commensurate with the size and nature of business. These procedures are designed to ensure:

- (a) that all assets and resources are used efficiently and are adequately protected;
- (b) that all the internal policies and statutory guidelines are complied with; and
- (c) the accuracy and timing of financial reports and management information is maintained.

The Company has appointed Internal Auditors to check and have an effective internal control and risk-mitigation system, which are assessed and strengthened with standard operating procedures. The Company has built adequate internal control systems which aimed at achieving efficiency in operations, optimum utilization of resources, effective monitoring and compliance with all applicable laws. The Internal Audit function monitors the effectiveness of controls, and also provides an independent and objective assessment of the overall governance processes in the Company, including the application of a systematic risk management framework.

The Audit Committee of the Board reviews the adequacy and effectiveness of the internal control system and suggests improvement to strengthen the same. There were no adverse remarks or qualification on accounts of the Company from the Internal Auditors.

- **Statutory Auditors And Their Report :-**

M/s. Paresh Jairam Tank & Co., Chartered Accountants, (ICAI Firm Registration No. 139681W), Nagpur has been re-appointed as the Statutory Auditors of the Company for a second term of five [05] years i.e. from the conclusion of the 33rd Annual General Meeting up to the conclusion of the 38th Annual General Meeting to be held for the financial year ending 31st March, 2027. The Company has received the consent from the Auditors and confirmation to the effect that they are not disqualified to be appointed as the Auditors of the Company in the terms of the provisions of the Companies Act, 2013 and the Rules made thereunder.

- **Internal Auditors :-**

M/S V. K. Surana & Co, Chartered Accountant in Practice (ICAI Firm Registration No. 110634W), Nagpur has been appointed as Internal Auditors of the Company for F.Y. 2023-24. Internal Auditors are appointed by the Board of Directors of the Company on a yearly basis, based on the recommendation of the Audit Committee. The Internal Auditor reports their findings on the Internal Audit of the Company, to the Audit Committee on a quarterly basis. The scope of internal audit is approved by the Audit Committee.

- **Secretarial Auditors :-**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors, on the recommendations of the Audit Committee of the Company, has approved and appointed CS Riddhita Agrawal, Company Secretary in Practice, Mumbai (Membership No. FCS 10054 & Certificate of Practice No. 12917) as the Secretarial Auditor of the Company for the financial year 2023-2024 ended 31st March 2024 after obtaining a certificate of her consent and eligibility to undertake the Secretarial Audit for the year 2023-2024 ending 31st March, 2024.

Further, CS Riddhita Agrawal, Company Secretary in Practice, Mumbai, (Membership No. FCS 10054 & Certificate of Practice No. 12917) was appointed by the Board of Directors as the Annual Secretarial Compliance Auditor pursuant to SEBI Circular No. CIR/CFD/CMD1/27/2019 dated 08th February, 2019 read with Regulation 24(A) of the Listing Regulations, to conduct Annual Secretarial Compliance Audit of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The said Secretarial Compliance report is in addition to the Secretarial Audit Report by Practicing Company Secretaries under Form MR – 3 and is required to be submitted to Stock Exchanges within 60 days of the end of the financial year.



- **Secretarial Audit Report :**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Directors had appointed CS Riddhita Agrawal, Company Secretary in Practice, Mumbai, (Membership No. FCS 10054 & Certificate of Practice No. 12917), to undertake the Secretarial Audit of your Company for the year ended 31st March 2024.

The comments made by the Secretarial Auditors are self-explanatory. Their report is annexed herewith as an “Annex – B” to this Report.

- **Cost Auditors :-**

The provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 and Rule 14 of the Companies (Audit and Auditor) Rules, 2014 are not applicable for the business activities carried out by the Company.

- **Frauds Reported By Auditor :-**

During the Financial year 2023-2024 ended 31st March 2024 under review:-

- (a) there is no fraud occurred, noticed and/or reported by the Statutory Auditors under Section 143(12) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (as amended);
- (b) the observations made by the Statutory Auditors on the financial statements including the affairs of the Company are self-explanatory and do not contain any qualification, reservation, adverse remarks or disclaimer thereof.

As such, no specific information, details or explanations required to be given or provided by the Board of Directors of the Company.

- **Explanations in response to Auditors' Qualifications :**

The Audit Report/s submitted by the Statutory Auditors, Secretarial Auditor and Internal Auditor of the Company, for the financial year 2023-2024 ended 31st March, 2024 do not contain any qualification or adverse remarks. The observations made by all the Auditors in their respective Report/s are self-explanatory and as such, do not call for any further explanations.

## 5. SOCIAL RESPONSIBILITY AND SUSTAINABILITY

- **Corporate Social Responsibility (CSR) :**

The Company does not fall under the criteria as prescribed under Section 135 of the Companies Act, 2013, for making CSR activities, however in view of to fulfill the social responsibility towards society and as a good corporate governance practice the Company has continued to undertake the Corporate Social Responsibility (CSR) activities. The Company has Corporate Social Responsibility (CSR) Committee and statutory disclosures with respect to CSR Committee and an Annual Report on CSR Activities forms part of this Board of Director's Report as “Annex-C”.

- **Conservation Of Energy, Technology Absorption, Foreign Exchange Earnings And Outgo :**

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, for the financial year 2023-2024 ended 31st March, 2024 as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are given in “Annex – D” to this report.

## 6. DISCLOSURES :

- **Annual Return :**

In terms of the requirements of Section 134(3)(a) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 the copy of the Annual Return in prescribed format is available on the website of the Company <https://shradhaatechnologies.com/>.

- **Subsidiaries, Associates And Joint Ventures:**

The Company has no Subsidiary Companies within the meaning of Section 2(87) of the Companies Act, 2013. Also, it has no Associate Companies within the meaning of Section 2(6) of the Companies Act, 2013. Thus, Report on performance and financial position of the Subsidiaries, Associates and Joint Ventures is not applicable

- **Material Orders Of Judicial Bodies Or Regulators :**

During the financial year 2023-2024 under review, no significant and material orders is passed by any of the

Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

- **Compliance With Secretarial Standards :**

The Company have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively. During the year under review the Company was in compliance with the Secretarial Standards, i.e., SS-1 and SS- 2, relating to "Meetings of the Board of Directors" and "General Meetings" respectively.

Further, the Company has, to the extent, voluntarily adopted for the compliance of Secretarial Standard - 4 ('SS-4') on Report of the Board of Directors for the financial year 2023-2024 ended 31st March 2024.

- **Corporate Insolvency Resolution Process Initiated Under The Insolvency And Bankruptcy Code, 2016 (IBC) :**

During the financial year 2023-2024 ended 31st March, 2024 under review, no such event occurred by which Corporate Insolvency Resolution Process can be initiated under the Insolvency And Bankruptcy Code, 2016 (IBC). As such, no specific details are required to be given or provided.

- **Details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof:**

The above-mentioned clause is not applicable to the Company, as there were no instances where your Company required the valuation for one time settlement or while taking the loan from the Banks or Financial institutions.

- **Failure To Implement Any Corporate Action :**

During the financial year 2023-2024 ended 31st March, 2024 under review, the Company has not failed to implement any corporate action within the specified time Limit as declared under Section 125 of the Companies Act 2013 and relevant rules made there under. As such, no specific details are required to be given or provided.

- **Industrial Relations, Health And Safety :-**

In our ongoing commitment to fostering a robust industrial relations framework, we have made significant strides in enhancing our engagement with employees at all levels, ensuring that their voices are heard and valued in our decision-making processes. Our focus on health and safety remains paramount, particularly as we navigate the challenges of maintaining a safe workplace in a rapidly changing industrial landscape. Moving forward, we will continue to invest in training and development programs that empower our workforce and reinforce our commitment to maintaining a healthy work environment.

## 7. ADDITIONAL DISCLOSURES UNDER LISTING REGULATIONS:

- **Statement of Deviation Or Variation**

During the year under review the Company have been fully utilized the funds raised by issue of shares on right basis during the previous financial year 2022-23 for the objects as stated in the Letter of Offer dated 19th January 2023. hence the provision of Regulation 32(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is applicable to the company. The Company has submitted the statement(s) and report as required under Regulation 32 of the SEBI LODR Regulation to both the exchanges where the shares of the Company are listed, namely, Metropolitan Stock Exchange of India (MSEI) and BSE Limited and on timely basis.

- **Management Discussion And Analysis Report (MDAR) :-**

The Management Discussion and Analysis Report on the operations of the Company, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") is provided in a separate section and forms an integral part of this Report.

- **Compliance Certificate from Secretarial Auditor regarding compliance of conditions of Corporate Governance:**

A certificate from CS Riddhita Agrawal, Company Secretary in Practice, Mumbai (Membership No. FCS 10054 & Certificate of Practice No. 12917 & Peer Review Certificate No 1838/2002), and Secretarial Auditor of the Company regarding compliance of conditions of Corporate Governance annexed to the Corporate Governance

Report, which form an integral part of the Board's Report of the Company.

- **No Disqualification Certificate from Company Secretary in Practice:**

A certificate from CS Riddhita Agrawal, Company Secretary in Practice), Secretarial Auditor of the Company of, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by Board / Ministry of Corporate Affairs or any such Statutory Authority, as stipulated under Regulation 34(3) read with Schedule V of the Listing Regulations, is attached to this Report

- **Suspension Of Trading:**

The equity shares of the Company have been listed and actively traded on the Metropolitan Stock Exchange of India Limited (MSE) effective 13th December, 2017 and on BSE w.e.f. 11th September 2023. There was no occasion wherein the equity shares of the Company have been suspended for trading during the financial year 2023-2024 ended 31st March, 2024.

- **Payment Of Listing And Depositories Fees :-**

The Securities of your company are listed at Metropolitan Stock Exchange of India Limited (MSEI) w.e.f. 13th December 2017 and BSE w.e.f. 11th September 2023. The Company, has duly paid the requisite annual listing fees for the Financial Year 2023-2024 to the Metropolitan Stock Exchange of India Limited (MSE) and BSE Limited and there are no arrears. The shares of the Company are compulsorily traded in dematerialized form and the Company, has also duly paid the requisite annual custodian and other fees for the Financial Year 2023-2024, to the National Securities Depository Limited (NSDL) and Central Depository Service (India) Limited (CDSIL).

## 8. OTHER MATTERS :-

- **Dematerialization of Shares :-**

As on 31st March, 2024, 2,39,95,654 Equity Shares of the Company aggregating to 98.42% of the Issued, Subscribed and Paid-Up Share Capital were held in dematerialized form through depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSIL) and remaining 385314 Equity Shares of the Company aggregating to 1.58 % of the Issued, Subscribed and Paid-Up Share Capital were held in Physical.

- **Code Of Conduct For Business Principles & Ethics And Prevention Of Insider Trading And Other Code And Policies Of The Company :-**

The Company has adopted the Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders in accordance with the requirement of SEBI (Prohibition of Insider Trading) Regulations, 2015 and Companies Act, 2013. The Code of Conduct is applicable to all Directors and designated persons of the Company who are expected to have access to unpublished price sensitive information relating to the Company. The Code of Conduct lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with securities of the Company and cautions them of the consequences of violations.

- **Disclosures Pertaining To The Sexual Harassment of Women At The Workplace (Prevention, Prohibition And Redressal) Act, 2013:**

Your Company is committed to create and provide an environment free from discrimination and harassment including sexual harassment for all its employees. Your Company has in place Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 which mandates no tolerance against any conduct amounting to workplace sexual harassment. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the financial year 2023-2024, the Company has not received any complaint of sexual harassment. The Certificate by the Directors of the Company, to that effect is enclosed herewith as an "Annex - E" which forms part and parcel of this report.

**ENCLOSURES**

<b>Annex - A</b>	Form No. AOC-2 – Information or Details of contracts or arrangements or transactions not at arm's length basis and/or the details of contracts or arrangements or transactions at arm's length basis
<b>Annex - B</b>	Secretarial Audit Report in Form No. MR-3
<b>Annex - C</b>	Annual Report On Corporate Social Responsibility (CSR) Activities
<b>Annex - D</b>	Report on Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo
<b>Annex - E</b>	Certificate on Sexual Harassment of Women at the Work place and its Prevention, Prohibition & Redressal

**ACKNOWLEDGEMENT**

Your Director's take this opportunity to express their deep and sincere gratitude to the customers and investors for their confidence and patronage, as well as to the vendors, bankers, financial institutions, and business associates, regulatory and governmental authorities for their co-operation, support and guidance. Your Directors would like to express a deep sense of appreciation for the support extended by the Company's unions and commitment shown by the employees in its continued robust performance on all fronts.

**For and on behalf of the Board**

Sd/-

**Sunil Raison**

Managing Director

DIN: 00162965

Address : Plot No. 75, Shivaji Nagar,  
Shankar Nagar, S. O,  
Nagpur - 440010 , Maharashtra, India

Sd/-

**Archana Bhole**

Director

DIN: 06737829

Address : Plot No. 11 Maskey Layout, Santaji  
Society, Narendra Nagar, Nagpur 440015,  
Maharashtra, India

**Place** : Nagpur**Date** : 30th May 2024

**"ANNEX - A" TO THE BOARD'S REPORT****FORM AOC-2****(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for Disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below:

**1. Details of contracts or arrangements or transactions not at Arm's length basis:**

The Company has not entered into any contracts or arrangements or transactions with its related parties which is not at arm's length during the Financial Year 2023-2024 ended 31st March 2024:

**2. Details of contracts or arrangements or transactions at Arm's length basis:**

<b>Name (s) of the related party</b>	<b>Nature of Relationship</b>	<b>Duration of the contracts / arrangements / transaction</b>	<b>Nature of contracts / arrangements / transaction</b>	<b>Salient terms of the contracts or arrangements or transaction</b>	<b>Date of approval by the Board, if any</b>	<b>Amount incurred during the year (in Rs. In lacs)</b>
Mr. Sunil Raisonni	Managing Director	5 Years Effective 18th November, 2022	Whole-time Employment	Members approval at their Extra Ordinary General Meeting held on 22nd December 2022	18th November, 2022	18.00/-
Ms. Harsha Bandhekar	Company Secretary	Appointed w.e.f. 12th February 2022	Whole-time Employment	Remuneration by way of Salary	12th February 2022	3.75/-
Mrs. Archana Bhole	Non - Executive, Non Independent Director	Continuing	Sitting Fees	As per the letter of Appointment dated 15th April 2023	15th April 2023	0.2/-
SGR Infra Tech Private Limited	Promoter Group Company	36 months w.e.f. 15th April 2023	Rent	Rent	15th April 2023	8.37/-
Riaan Ventures Private Limited	Promoter Group Company	5 years effective from 2023-24	Purchase of Material	Purchase of Material	15th May 2023	117.40/-

**For and on behalf of the Board****Sunil Raisonni  
Managing Director**

DIN: 00162965

Address: Plot No. 75, Shivaji Nagar, Shankar Nagar, S. O, Nagpur - 440010, Maharashtra, India

Place : Nagpur

Date : 30th May 2024

**Archana Bhole  
Director**

DIN: 06737829

Address: Plot No. 11 Maskey Layout, Santaji Society, Narendra Nagar, Nagpur 440015, Maharashtra, India

# "ANNEX - B" TO THE BOARD'S REPORT

## "ANNEX – B" TO THE BOARD'S REPORT

FORM NO. MR – 3

### SECRETARIAL AUDIT REPORT

[Pursuant to Section 204 (1) of the Companies Act, 2013 read with the Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

#### FOR THE FINANCIAL YEAR 2023-2024 ENDED 31ST MARCH 2024

To

The Members of

#### **Shradha AI Technologies Limited**

(Formerly known as Shradha Industries Limited)

CIN: L51227MH1990PLC054825

Address: 1st floor, 345, Shradha House,

Kingsway Road, Nagpur - 440001,

Maharashtra, India

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Shradha AI Technologies Limited (Formerly known as Shradha Industries Limited)** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that, in our opinion, the Company has, during the audit period covering the financial year 2023-2024 ended 31 March 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

- i) The Companies Act, 2013 (the Act) and the rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- 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;
- v) The following Regulations and Guidelines (as amended) prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) to the extent applicable:-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d. The Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021:-  
**(Not Applicable to the Company during the Audit Period)**
  - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulation, 2021:-

**(Not applicable to the Company during the Audit Period as the Company has not issued any debt securities during the year under review);**

- 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 client, , as amended from time to time;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- **(Not Applicable to the Company during the Audit Period)**
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018:- **(Not Applicable to the Company during the Audit Period)**
- i. Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013: **(Not Applicable to the Company during the Audit Period)**
- j. The Securities and Exchange Board of India (Depositories and Participant(s)) Regulations, 2018, as amended from time to time;
- k. The Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 and The Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) (Amendment) Regulations, 2018 and other amendments thereof (hereinafter collectively referred to as " Listing Regulations");
- l. The other Regulations & Guidelines of the Securities and Exchange Board of India to the extent as may be applicable to the Company.

I have relied on the representations made by the Company and its officers for the systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations as specifically applicable to the Company.

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

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India;
- (ii) The Listing Agreement (Listing Regulations) entered by the Company with the Metropolitan Stock Exchange of India Limited and BSE Limited pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has generally complied with the all material aspects of applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. *As per Regulation 20(2)/(2A) of SEBI LODR Regulations, 2015, Shradha AI Technologies Ltd does not have a Chairperson for Stakeholders Relationship Committee for the whole third quarter ended 31st December 2023. It has been brought to our knowledge that BSE and MSEI had issued notices for aforesaid non-compliance and the Company has paid the requisite fine/penalty alongwith submission of their replies made with BSE and MSEI for waiver of penalty.*

**I further report that: -**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and were as follows:
  - a. Mrs. Archana Bhole (DIN: 06737829) was appointed as an Additional Director (Non-Executive, Non-Independent) by the Board of Directors of the Company at their Board meeting held on 15th April 2023. Further, Mrs. Archana Bhole (DIN: 06737829) was appointed as a Director (Non-Executive, Non-Independent) on the Board of the Company liable to retire by rotation, by the members of the Company at the Annual general Meeting held on 30th June 2023.
  - b. Mr. Vineet Ladhania (DIN: 08113413) was appointed as an Additional Director (Category - Non-Executive & Independent), at the Meeting of Board of Directors held on 13th October 2023;

- c. Mr. Swapnil Shivkumar Agrawal (DIN: 01709908) ceased to be an Independent Director of the Company on completion of his fixed term of his tenure of appointment, with effect from 06th November, 2023.
- d. Mr. Vineet Ladhania (DIN: 08113413) was appointed as an Independent Director, not liable to retire by rotation at the Extra Ordinary General Meeting of the members of the Company held on 06th November 2023 for a fixed first term of Two (02) consecutive years, i.e. from 13th October, 2023 up to 12th October, 2025.
- e. Mr. Ajay Kumar Gandhi (DIN:09516767) was re- appointed as an Independent Director, not liable to retire by rotation at the Extra Ordinary General Meeting of the members of the Company held on 06th November 2023 for a fixed second term of consecutive One (01) year, i. e from the conclusion of 07th November 2023 up to 06th November, 2024.
- f. Ms. Anjana Tolani (DIN: 09794298) was re- appointed as an Independent Director, not liable to retire by rotation at the Extra Ordinary General Meeting of the members of the Company held on 06th November 2023 for a period of fixed second term of consecutive One (01) year, i. e from the conclusion of 18th November 2023 up to 17th November, 2024.

- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As per the minutes of the meeting/s duly recorded and signed by the Chairman, all decisions at the Board and Committee meeting/s, as the case may be, are carried out unanimously and no dissenting views have been recorded.

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

I further report that during the period under review, the Company had the following specific events or actions having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc.:-

- I. Pursuant to the 1st Extra-Ordinary General Meeting (EGM) for the F.Y 2023-24 held on 05th April 2023:
- The Members of the Company approved for direct listing of 1,21,90,484 Equity Shares of the Company having face value of Rs. 10/- each Direct Listing on the Main Board of BSE.  
Accordingly, the Company had filed an application w.r.t. Direct Listing of 12190484 Equity Shares of Shradha Industries limited (Company) on BSE Main Board as on 18th April 2023. Subsequent to which, the Company has received an In-Principal Approval from the BSE as on 17th August 2023 for Direct Listing.
  - The Members of the Company has approved the shifting of the Registered Office of the Company from C/o D-91, MIDC Jalgaon, Jalgaon -425001, Maharashtra, India to "1st floor, 345, Shradha House, Kingsway Road, Nagpur — 440001, Maharashtra, India," outside local limits of city, town or village but within the state of Maharashtra both under the jurisdiction of Office of the Registrar of Companies, Maharashtra at Mumbai.
- II. The Company has filed a Listing Application with BSE for Direct Listing of 12190484 Equity Shares of the Company on Main Board of BSE, subsequent to which the Company has received a Listing and Trading Approval on the Main Board of BSE w.e.f. 11th September 2023.
- III. Pursuant to the 34th Annual General Meeting (AGM) of the F.Y 2022-23 held on 30th June 2023:
- A final dividend @ 2.5% i.e. Rs. 0.25 paisa/- (Twenty five paisa Only) per Equity Share in the Equity Share capital of the Company for the financial year 2022-2023 was declared and paid.
  - Mrs. Archana Bhole, an Additional Director of the Company was appointed as a Director (Category: Non-Executive, Non-Independent) on the Board of the Company liable to retire by rotation.
  - Approved a Related Party Transactions with Riaan Ventures Private Limited, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 up to a maximum aggregate value of Rs. 75 Crore (Rupees Seventy Five Crore) for a term of Five (5) years i.e upto the financial year 2027-2028.



IV. Pursuant to the 2nd Extra-Ordinary General Meeting (EGM) for The F.Y 2023-24 held on 09th September 2023:

- The Name of the Company was changed from Shradha Industries Limited to Shradha AI Technologies Limited w.e.f. 26th September 2023.
- The Authorised, Issued, Subscribed and Paid-up Equity Share Capital of 1 (One) Equity Share of face value of Rs.10/- (Rupees Ten only) each fully paid- up was sub-divided into Two [02] Equity Shares of face value of Rs.5/- (Rupees Five only) each. Accordingly, 1,23,40,000 (One Crore Twenty Three Lakhs Forty Thousand) Equity shares of Rs. 10/- (Rupees Ten only) each was sub-divided into 2,46,80,000 Equity Shares of Rs. 5/- each.
- The Name Clause- Clause I of the Memorandum of Association of the Company was altered and substituted by the following clause:  
The Name of the Company is "SHRADHA AI TECHNOLOGIES LIMITED".
- The Articles of Association was altered subsequent to Name change of the Company.
- The Capital Clause of Memorandum of Association of the Company was changed subsequent to subdivision of the Equity Share capital of the Company as follows:  
"The Authorised Share Capital of the Company Rs. 12,50,00,000/- (Rupees Twelve Crores Fifty Lacs only) divided into 2,46,80,000 Equity Shares of Rs. 5/- each and 1,60,000 (One Lakh Sixty Thousand) Preference Shares of Rs. 10/- (Rupees Ten only) each."

V. The Board of Directors had declared the Payment of Interim dividend of Rs 0.50 /- Paisa (Fifty Paisa Only) per Equity Share of Rs. 5/- each for the financial year ended March 31, 2024 at their meeting held on 02nd November 2023.

VI. Pursuant to the 03rd Extra-Ordinary General Meeting (EGM) for The F.Y 2023-24 held on 06th November 2023:

- Mr. Vineet Ladhania (DIN: 08113413) who was appointed as an Additional (Independent) Director of the Company w.e.f. 13th October 2023 appointed as an Independent Director of the Company for a fixed first term of Two (02) consecutive years, i.e. from 13th October, 2023 up to 12th October, 2025, not liable to retire by rotation.
- Mr. Ajay Kumar Gandhi (DIN: 09516767) re-appointed as an Independent Director of the Company for a fixed second term of consecutive One (01) year, i. e from the conclusion of 07th November 2023 up to 06th November, 2024, not liable to retire by rotation.
- Ms. Anjana Tolani (DIN: 09794298) re-appointed as an Independent Director of the Company fixed second term of consecutive One (01) year, i. e from the conclusion of 18th November 2023 up to 17th November, 2024, not liable to retire by rotation.

**CS RIDDHITA AGRAWAL**

**Practicing Company Secretary**

**ICSI Mem. No: FCS - 10054**

**C.P.No. 12917**

**UDIN: F010054F000404844**

**Peer Review Certificate No.: 1838/2022**

**Place: Mumbai**

**Date: 26/05/2024**

**Note:** The Secretarial Audit Report is to be read with our letter of even date which is annexed as an '**Annex - AA**' and forms an integral part of this report.

**"ANNEX – AA"**

To  
The Members of  
**Shradha AI Technologies Limited**  
**(Formerly known as Shradha Industries Limited)**  
CIN: L51227MH1990PLC054825  
Address: 1st floor, 345, Shradha House,  
Kingsway Road, Nagpur -440001,  
Maharashtra, India

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

**Management's Responsibility**

- (a) It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
- (b) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

**Auditor's Responsibility**

- (a) My responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
- (b) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe the processes and practices that we followed provide a reasonable basis for our opinion. I also believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
- (c) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- (d) Wherever required, I have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.

**Disclaimer**

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.

**CS RIDDHITA AGRAWAL**

**Practicing Company Secretary**

**ICSI Mem. No: FCS - 10054**

**C.P.No. 12917**

**UDIN: F010054F000404844**

**Peer Review Certificate No.: 1838/2022**

**Place: Mumbai**

**Date: 26/05/2024**

## "ANNEX – C" TO THE BOARD'S REPORT

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

#### Annual Report on Corporate Social Responsibility (CSR) Activities for Financial Year 2023-24

##### 1. Brief outline on CSR Policy of the Company:

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and the amendments thereto. Pursuant to provisions of Section 135 of the Companies Act, 2013, the Company has also formulated a Corporate Social Responsibility Policy which is available on the website of the Company at <https://shradhaatechnologies.com/>. This Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014, is annexed as Annex - C to the Board's Report.

The core theme of the Company's CSR policy is giving back to the society from which it draws its resources and extends helping hand to the needy and the underprivileged. The Company has framed a CSR Policy in compliance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended) and Listing Regulations.

##### The objectives of Company's CSR Policy are:

The objective of CSR policy of the Company is to lay down the guidelines and mechanism to carry out CSR projects/programmes by the Company and its subsidiaries and to report its CSR efforts in the format provided by the rules under the Act. The salient features of the CSR Policy are as under:

- Purpose of the Policy
- Scope of CSR Activities
- CSR Committee
- Project Life Cycle
- Treatment of Surpluses
- Policy statement
- Focus areas for CSR
- CSR Budget
- CSR Implementation

While the Ministry of Corporate Affairs has spelt out the CSR activities under Schedule VII to the Companies Act, 2013, in order to build focus and have a more impactful execution – with a view to make a difference – Company's focus areas for CSR are as follows:

- Upliftment and mentoring of vulnerable age groups
- Education, skilling & entrepreneurship
- Access to healthcare
- Sustainability and environmental responsibility

##### 2. Composition of the CSR Committee as on 31st March, 2024:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year*	Number of meetings of CSR Committee attended during the year
1.	Mr. Kalpesh Bafna	Chairman - Non-Executive, Independent Director	1	1
2.	Mr. Sunil Raison	Member Managing Director	1	1
3.	Mr. Ajay Kumar Gandhi	Member-Non-Executive, Independent Director	1	1

\* During the year 2023-24 the Company eligible to undertake the CSR activity, there was 1 (One) meeting held on 24th January 2024.

**3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:**

The Composition of CSR Committee and CSR Policy is displayed on the website of the Company at <https://shradhaatechnologies.com/>

**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):**

Not Applicable

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:**

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set off for the financial year, if any (in Rs.)
NIL			

**6. Average net profit of the company as per section 135(5):**

The details of average net profit of the Company as per section 135(5) are as follows:

Financial Year	Net profit as per Section 198 of the Companies Act, 2013 (in lacs)
2020-21	Rs. 20.62
2021-22	Rs. 582.27
2022-23	Rs. 106.54
Average Profit of Last three years	Rs. 236.48

7. (a) Two percent of average net profit of the company as per section 135(5) (Rs. In Lacs): 4.73/-  
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL  
 (c) Amount required to be set off for the financial year, if any: NIL  
 (d) Total CSR obligation for the financial year 2023-24 (7a+7b-c) (Rs. In Lacs): 0.50/-\*

**8. (a) CSR amount spent or unspent for the financial year 2023-24**

Total Amount Spent for the Financial Year 2023-24 (Rs. In Lacs)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
0.50/-*	NIL	NA	NA	NIL	NA

\* During the FY 2023-24 the Company does not fall under the criteria as prescribed under Section 135 of the Companies Act, 2013, for making CSR activities however in view of to fulfill the social responsibility towards society and as a good corporate governance practice the Company has continued to undertake the Corporate Social Responsibility (CSR) activities and spent an amount towards CSR project.

**(b) Details of CSR amount spent against ongoing projects for the financial year:**

Sr No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration Number
NIL												

**(c) details of CSR amount spent against other than ongoing projects for the financial year:**

Sr. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in lacs)	Mode of Implementation- Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Promoting Education	Education programs focusing on enhancement of knowledge leading to up-gradation of skills and empowerment and fee concession to the students	Yes	Nagpur,	Maharashtra	0.50/-	No	SGR Knowledge Foundation	CSR00009484

- (d) Amount spent in Administrative Overheads: Not Applicable  
(e) Amount spent on Impact Assessment, if applicable: Not Applicable  
(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs (In Lakhs). 0.50/-  
(g) Excess amount for set off, if any: Not Applicable

Sr. No.	Particular	Amount (in Lacs)
i.	Two percent of average net profit of the company as per section 135(5)	4.73/-
ii.	Total amount spent for the Financial Year	0.50/-*
iii.	Excess amount spent for the financial year [(ii)-(i)]	-
iv.	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	NIL
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	NA

\* During the FY 2023-24 the Company does not fall under the criteria as prescribed under Section 135 of the Companies Act, 2013, for making CSR activities however in view of to fulfill the social responsibility towards society and as a good corporate governance practice the Company has continued to undertake the Corporate Social Responsibility (CSR) activities and spent an amount towards CSR project.

**9. (a) Details of Unspent CSR amount for the preceding three financial years :**

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
Not Applicable							

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

Sr. No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing
Not Applicable								

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Not Applicable**

- Date of creation or acquisition of the capital asset(s):
- Amount of CSR spent for creation or acquisition of capital asset:
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc:
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):

**11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135 (5): Not Applicable**

Note: The CSR Committee confirms that the implementation of CSR Policy is in compliance with the CSR Objectives and Policy of the Company.

**For and on behalf of the Board**

**Sunil Raisoni**

Managing Director

DIN: 00162965

Address: Plot No. 75, Shivaji Nagar,  
Shankar Nagar, S. O,  
Nagpur - 440010, Maharashtra, India

**Kalpesh Bafna**

Director & Chairman of CSR Committee

DIN: 07484027

Address: Sonika 8291-212 Nandanwan Colony,  
Behind Jakhete Petrol Pump, Jalgaon-425001

Place: Nagpur

Date: 30th May 2024

## "ANNEX - D" TO THE BOARD'S REPORT

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

#### A. CONSERVATION OF ENERGY:

- (i) The steps taken or impact on conservation of energy:-

The Company lays great emphasis on savings in the cost of energy consumption. Therefore, achieving reduction in per unit consumption of energy is an ongoing exercise in the Company. The effective measures like education, training, publicity, messaging through use of social media have been taken to minimize the loss of energy as far as possible.

The Company do not have any internal generation of power (captive, surplus or otherwise) and the amount spent during the financial year 2023-2024 is 5.71/- (Rs. In Lacs) as compared to Nil expenditure for the previous year 2022-2023.

- (ii) The steps taken by the Company for utilizing alternate sources of energy:-

Presently, the Company is exploring alternative source of energy for internal generation of power for captive consumption (captive, surplus or otherwise).

- (iii) The capital investment on energy conservation equipments:-

The Company has not made any capital investment on energy conservation equipment/s.

#### B. TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT

- (i) The efforts made towards technology absorption:-

The Company is always in pursuit of finding the ways and means to improve the performance, quality and cost effectiveness of its products. The technology used by the Company is updated as a matter of continuous exercise.

- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution

As the Company is in trading industry, there is a need for product improvement, product development or import substitution. Moreover, the Company has not derived any material benefits in cost reduction against technology absorption.

- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

The Company has not imported any technology during the last three years reckoned from the beginning of the financial year.

- (a) The details of the technology imported: **Not Applicable**

- (b) The year of import: **Not Applicable**

- (c) Whether the technology been fully absorbed: **Not Applicable**

- (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof : **Not Applicable**

- (iv) The expenditure incurred on Research and Development

The Company does not have separate independent research and development activity. As such, no material amount of expenditure was incurred on research and development activity of the Company.

#### C. FOREIGN EXCHANGE EARNINGS / OUTGO:-

During the financial year 2023-2024 under review, the foreign exchange earnings and outgo is **NIL**.

#### For and on behalf of the Board

Sd/-

**Sunil Raisoni**

**Managing Director**

DIN: 00162965

Address: Plot No. 75, Shivaji Nagar,

Shankar Nagar, S. O, Nagpur - 440010, Maharashtra, India

**Place :** Nagpur

**Date :** 30th May 2024

Sd/-

**Archana Bhole**

**Director**

DIN: 06737829

Address : Plot No. 11 Maskey Layout,

Santaji Society, Narendra Nagar,

Nagpur 440015, Maharashtra, India

**"ANNEX - E" TO THE BOARD'S REPORT****CERTIFICATE****Sexual Harassment of Women at the Workplace and its Prevention, Prohibition & Redressal  
[Pursuant to Section 22 & 28 of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition  
& Redressal) Act, 2013]**

This is to certify that:

**Shradha AI Technologies Limited (Formerly known as Shradha Industries Limited)** ("the Company") has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees etc.) are covered under this Policy.

The following is the summary of sexual harassment complaints received and disposed-off during the current financial year under review i.e. Financial Year 2023-2024 ended 31st March, 2024:-

Number of Complaints received	Nil
Number of Complaints disposed off	Nil, Hence Not Applicable

**For and on behalf of the Board**

**Sunil Raisoni**  
**Managing Director**

DIN: 00162965

Address: Plot No. 75, Shivaji Nagar,  
Shankar Nagar, S. O, Nagpur - 440010, Maharashtra, India

**Place :** Nagpur

**Date :** 30th May 2024

**Archana Bhole**  
**Director**

DIN: 06737829

Address : Plot No. 11 Maskey Layout,  
Santaji Society, Narendra Nagar,  
Nagpur 440015, Maharashtra, India



## MANAGEMENT DISCUSSION AND ANALYSIS

### ECONOMIC OVERVIEW

Amid a challenging global economic landscape and deteriorating geopolitical conditions, India continues to shine as a bright spot. It is the fifth-largest economy in the world and is poised to retain its position as the world's fastest-growing major economy. Its GDP growth remained buoyant at 7.3% in FY 2023-24 as against 7.2% in FY 2022-23, supported by robust domestic demand, moderate inflation, a stable interest rate environment, and strong foreign exchange reserves. Furthermore, an accelerated pace of economic reforms and increased capital expenditure paved the way for construction activities and large-scale employment opportunities in the country. The International Monetary Fund (IMF) commended India's economic resilience, robust growth, and notable progress in formalization and digital infrastructure.

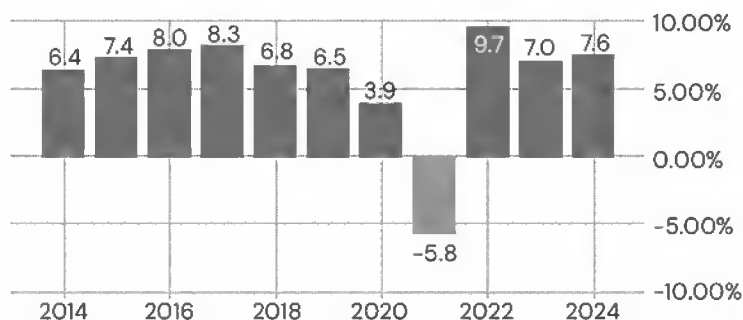
India had successfully harnessed inflation in FY 2023-24 which is still plaguing major advanced economies. India's Consumer Price Index (CPI) inflation rate decreased to 5.69% (provisional) in December 2023 against 5.72% in December 2022. The RBI, in its efforts to control inflation and boost economic growth, decided to keep the policy repo rate unchanged at 6.50%. Furthermore, India's per capita Net National Income (NNI) at constant (2011-12) prices increased by 6.08% from Rs. 98,374 in FY 2022-23 to Rs. 1,04,550 in FY 2023-24. Due to increasing disposable income levels, there is a surge in household consumption in both urban and rural regions, boosting the demand across sectors.

India's economic outlook is optimistic as it reaps the benefits of demographic dividend, physical and digital infrastructure enhancements, increased capital expenditure and the government's proactive policy measures such as Production Linked Incentive (PLI) Schemes. According to the IMF, the Indian economy is expected to expand steadily at 6.5% in 2024.

### INDIAN ECONOMIC OVERVIEW

Amid the volatile global economic environment, India emerges as a symbol of optimism, maintaining its position as the world's fifth-largest economy and expected to continue leading as the fastest-growing major economy. As per the Second Advance Estimates of National Income, 2023-24, India's GDP growth remained strong at 7.6% in FY 2024 as against 7% in FY 2023, supported by buoyant domestic demand, moderate inflation, a stable interest rate environment, and strong foreign exchange reserves. Additionally, a double-digit growth rate of 10.7% in the construction sector and an 8.5% growth rate in the Manufacturing sector have contributed to the GDP growth in FY 2024. The Index of Industrial Production (IIP) shows that the output of India's industry grew by 6.1% in the first three quarters of FY 2024 compared to 5.5% in the corresponding period of last year.

India's GDP Growth Rate:



(Source: Ministry of Statistics and Programme Implementation; Tradingeconomies.com)

## INDUSTRY OVERVIEW

The Indian Information Technology/ Software industry is a global powerhouse today, and its impact on India has been incomparable. It has contributed immensely in positioning the country as a preferred investment destination amongst global investors and creating huge job opportunities in India, as well as in the USA, Europe and other parts of the world. In the last decade, the industry has grown many folds in revenue terms, and relative share to India's GDP is around 7% in FY2023-24. India is the topmost off-shoring destination for IT companies across the world. Having proven its capabilities in delivering both on-shore and off-shore services to global clients, emerging technologies now offer an entire new gamut of opportunities for top IT firms in India. Indian IT/Software industry offers cost-effectiveness, great quality, high reliability, speedy deliveries and, above all, the use of state-of-the-art technologies globally.

The Indian IT/ ITeS industry has a leading position globally and has been progressively contributing to the growth of exports and creation of employment opportunities. India's IT-BPM industry (excluding e-commerce) is expected to reach at USD 254 billion, including exports of around 200 USD Billion in FY2023-24 (E). The IT-ITeS Industry has also created large employment opportunities and is estimated to employ 5.43 million professionals, an addition of 60,000 people over FY 2022-2023 (E). Women employees account for 36% share in total industry employee base.

## SHRADHA'S BUSINESS: AN OVERVIEW:

**Shradha AI Technologies Limited (Formerly known as Shradha Industries Limited)** ('SAITL' or 'the Company') Our Company is engaged into the business of trading of items like Computers, Computer peripherals, Computer Hardware, and Software, data processors, computerized telecommunication system and networks, LAN Products, Networking Material to impart education or computer training, Database integration, database management and integration, networking and system integration, E-commerce, Software development and instruments of every kind and activation for use of industrial, commercial or any other purpose and selling, purchasing, trading, production, distribution, customization, development of applications, programs, software packages, internet programs, software programs, mobile applications, web applications, products, portals, web design, and other related Services/Products and to execute computer related maintenance contracts and to do business of all types of Information Technology and Telecommunication Projects, distribution of IT hardware, software & security products distribution which is broadly categorized into IT consumers & enterprise segment and all other allied facilities of information Technology.

Your Company outperformance is significantly higher over the last decade. The outperformance may be attributed to market share gains resulting from SAITL's strategy on customer centricity, its agile organization structure, and a very stable leadership team; its investments in organic talent development, research and innovation, intellectual property, brand building, and in building newer capabilities that have helped expand wallet share with clients; and better execution resulting in greater customer satisfaction.

SAITL has successfully navigated through multiple technology cycles since its inception, transforming and adapting each time to build relevant new capabilities and helping its clients realize the benefits of that innovative technology. SAITL's responsiveness, agility and adaptability to change have been core to its longevity. Customer-centricity is at the heart of SAITL' strategy, organization structure and investment decisions. SAITL has been broadening and deepening customer relationships by continually looking for new opportunities and newer areas in their businesses to add value, proactively investing in building capabilities, reskilling its workforce, and launching innovative services, solutions, products, and platforms to address those opportunities.

**Adaptation is the key to survival.** SAITL believes in the power of inspiration and invention to build greater futures and help in transforming industries. Over time, this strategy has resulted in deep and enduring customer relationships, a vibrant and engaged workforce, industry leading profitability, a steady expansion of the addressable market, and a proven record of accomplishment in delivering longer term stakeholder value.

**RISKS AND CONCERNS:**

The only foreseeable risk in this category seems to be the ability to cope up with the dynamics of an evolving market and get the first mover advantage. This needs to be tackled through a range of quality product offerings at competitive prices.

At your Company, the risk management framework sets guidelines for operations so that the Company can continue on the path of sustainable change. These risks are monitored for changes in their exposure and are reported during the course of a year.

The Company places utmost importance on ensuring the safety of its employees, visitors to our premises and the communities we operate in. The Company has been achieving continuous improvement in safety performance through a combination of systems and processes as well as co-operation and support of all employees. The Company has robust training programs and reporting mechanisms in place designed to ensure regulatory compliance and mitigate the risks associated with workplace. The Company has developed programs to promote a healthy and safe workplace, as well as progressive employment policies focused on the well-being of our employees who work in it. These policies and programs are reviewed regularly by the Board of Directors.

The Company has been operating in a competitive environment since its inception. The Company has deep domain knowledge, state of art manufacturing facilities, a skilled workforce, delivery capabilities, efficient sales force, and economies of scale to help retain its competitive positioning amongst peers.

Your Company has a dedicated in-house compliance team that manages these operations. We have knowledgeable consultants' who support us in adhering to compliance requirements.

Further, the Company has invested in compliance systems and processes to ensure that all its functions are according to the laws and regulations to comply with and that adequate Monitoring mechanisms are put in place to ensure compliance.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has a robust internal control mechanism in place commensurate with the size and nature of its business. The internal control systems comprising policies and procedures are designed to ensure that operations are efficiently managed and aligned with the strategic objectives of the Company and address various aspects of governance, compliance, audit, control, and reporting. The internal controls are responsible for complying with the regulatory requirements, preventing fraud and errors, safeguarding the Company's assets and finances, and preserving the accuracy and reliability of financial transactions and reporting.

The Company's internal audit committee periodically reviews the adequacy of the internal control systems. Key observations and recommendations are communicated to the management, who takes appropriate corrective measures as deemed fit to maintain the efficiency and effectiveness of the internal controls. Based on its evaluation (as defined in Section 177 of Companies Act 2013 and Regulation 18 of SEBI Regulations, 2015), the audit committee has concluded that, as of March 31, 2024, internal financial controls were adequate and operating effectively.

**FINANCIAL PERFORMANCE :**

Key Highlights of Overall Financial Performance (Rs. In lacs):-

- During the current financial year 2023-2024 ended 31st March 2024, the Company's total Revenue from operation is Rs. 1,727.41/- as against Rs. 520.44/- in the corresponding previous financial year 2022-2023 ended 31st March 2023.
- Income from other sources is Rs. 149.97/- as against Rs. 120.30/- in the corresponding previous financial year 2022-2023 ended 31st March 2023.
- The Profit after tax (PAT) for the financial year 2023-2024 ended 31st March 2024 is Rs. 639.15/- as against Profit of Rs. 71.01/- of the corresponding previous financial year 2022-2023 ended 31st March 2023.

Key financial ratios:

No.	Particulars	FY 2023-2024	FY 2022-23
1	Debtors Turnover Ratio	NA	NA
2	Inventory Turnover Ratio	1,267.30	381.82
3	Debt Service Coverage Ratio	NA	NA
4	Current Ratio	27.93	119.44
5	Debt Equity Ratio	NA	NA
6	Return on Equity Ratio	0.13	0.02
7	Net Profit Ratio	0.37	0.14
8	Trade Payable Turnover Ratio	44.13	1,682.25
9	Return on Capital Employed	0.15	0.02
10	Return On Investment	23.82	0.01

### MATERIAL DEVELOPMENTS IN HUMAN RESOURCES:

The Company considers its employees as the most important asset and integral to its growth and continued success. Over the past years, the Company has increased its focus on its employee engagement and development, launching various new initiatives with the goal of attracting, engaging, retaining, and fostering key talent and diversity across the organization. It remains committed to cultivating a future-ready workforce. It continues to nurture a culture that values meritocracy and motivates employees, placing significant emphasis on maintaining high levels of employee engagement, consistent performance, and fostering an innovative mindset to minimize attrition.

### ROAD AHEAD:

India is the topmost offshoring destination for IT companies across the world. Having proven its capabilities in delivering both on-shore and off-shore services to global clients, emerging technologies now offer an entire new gamut of opportunities for top IT firms in India.

The IT spending in India is estimated to record a double-digit growth of 11.1% in 2024, totalling US\$ 138.6 billion up from US\$ 124.7 billion last year. India's public cloud services market grew to US\$ 3.8 billion in 2023, expected to reach US\$ 17.8 billion by 2027. By 2026, widespread cloud utilisation can provide employment opportunities to 14 million people and add US\$ 380 billion to India's GDP.

As per a survey by Amazon Web Services (2021), India is expected to have nine times more digitally skilled workers by 2025.

In November 2021, Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, lauded the Indian IT sector for excelling in its competitive strength with zero government interference. He further added that service exports from India have the potential to reach US\$ 1 trillion by 2030.

### CAUTIONARY STATEMENT:

The Management Discussion and Analysis may contain some statements describing the Company's objectives, plans, projections, estimates, and expectations which may be 'forward looking statements' within the meaning of applicable securities laws and regulations and are based on informed judgments and estimates. Actual results may differ materially from those expressed or implied due to external and internal factors beyond the Company's control. The Company does not undertake any obligation to publicly amend, modify, or revise these forward looking statements based on subsequent developments, information, or events.

**For and on behalf of the Board**

Sd/-

**Sunil Raisoni**

Managing Director

DIN: 00162965

Address: Plot No. 75, Shivaji Nagar,  
Shankar Nagar, S. O,  
Nagpur - 440010, Maharashtra, India

**Place :** Nagpur

**Date :** 30th May 2024

Sd/-

**Archana Bhole**

Director

DIN: 06737829

Address: Plot No. 11 Maskey Layout,  
Santaji Society, Narendra Nagar,  
Nagpur 440015, Maharashtra, India

## CORPORATE GOVERNANCE REPORT

"Corporate Governance refers to the set of systems, principles and processes by which Company is governed. They provide the guideline as to how the Company can be directed or controlled so as to fulfill its goals and objectives in a manner that adds to the value of the Company and benefit to all the stakeholders in the long term. Strong and improved Corporate Governance practices are indispensable in today's competitive world and complex economy".

### ● INTRODUCTION :

**Shradha AI Technologies Limited (Formerly known as Shradha Industries Limited)** ("the Company") (CIN-L51227MH1990PLC054825) is a Public Limited Listed Company incorporated & domiciled in India. The Company is listed at the Metropolitan Stock Exchange of India (MSE) and BSE. The Company is registered under the Companies Act, 1956 and governed under the Companies Act, 2013 and under the SEBI Listing Regulations. It was incorporated on 01st January, 1990. Presently, the Company is engaged in the business of Trading of items like Computers, Computer's Hardware & Accessories all allied kind of products and Software Development and maintenance Service.

### 1) COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE :

**Shradha AI Technology Limited's ("SAITL")** philosophy and ideology on Corporate Governance are driven by our values and principles, which are imbibed at all levels in the Company to ensure that we gain and retain the trust of our stakeholders. At SAITL corporate governance is founded on principles of integrity, accountability, transparency, and ethical business practices. We believe that robust corporate governance is essential not only for achieving operational excellence but also for maintaining the trust and confidence of our stakeholders, including shareholders, customers, employees, and the communities in which we operate.

The Company is committed to focus on long-term value creation and protecting stakeholders' interests by applying proper care, skill and diligence to business decisions. To achieve this objective, the Company is ensuring fair and transparent decision-making and bolstering dynamic management through swift and decisive decision-making based on an effective use of the corporate resources. The SAITL are committed to the highest standards of Corporate Governance and have in place appropriate structures and reporting systems.

This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations") and the report contains the details of Corporate Governance systems and processes at SAITL. The Company continues to be in compliance with the provisions of Corporate Governance as set out in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

### 2) THE BOARD OF DIRECTORS :

The Board is the apex body constituted by the shareholders to oversee the Company's overall functioning. They are responsible for providing strategic supervision, overseeing the management performance and governance of the Company on behalf of the shareholders and other stakeholders. The Board exercises independent judgment and plays a vital role in the oversight of the Company's affairs. While the Company's day to day affairs are managed by a competent management team under the overall supervision of the Board.

The Board is at the core of the corporate governance system of your Company. The Board is committed towards compliance of sound principles of corporate governance and plays a crucial role in overseeing how the management serves the short and long-term interests of the members and other stakeholders.

The Board has constituted several Committees to focus on well-defined areas of responsibility, with a mandate to make time-bound recommendations. The Company has also adopted various Codes/Policies towards achieving the best corporate governance practices which inter alia includes Code of Conduct for Board and Senior Management, Vigil Mechanism/ Whistle-Blower Policy, Policy on Insider Trading and Related Party Transactions Policy.

### ● Composition of the Board :

An independent and well-informed Board goes a long way in protecting the stakeholders' interest. The composition of your Company's Board represents an optimal mix of professionalism, knowledge and experience that enables the

Board in discharging its responsibilities and providing effective leadership and support to the business.

The composition of your Board is in conformity with Regulation 17(1) of the Listing Regulations and the Companies Act, 2013 ('Act'). As of March 31, 2024, your Company has 6 (Six) Directors including 1 (One) Managing Director, 1 (One) Non-Executive, Non-Independent Director and 4 (Four) Independent Directors. The profile of Directors can be found at our website at <https://shradhaaitechnologies.com/>.

**Composition and Category of Directors as of 31st March, 2024 is as follows:**

Category	Name of the Directors
<b>Executive Directors</b>	
Managing Director	Mr. Sunil Raisonni
<b>Non- Executive Directors:-</b>	
Non-Executive, Independent Director	Ms. Anjana Tolani
Non-Executive, Independent Director	Mr. Kalpesh Bafna
Non-Executive, Independent Director	Mr. Vineet Ladhania
Non-Executive, Independent Director	Mr. Ajay Kumar Gandhi
Non-Executive, Non-Independent Director	Mrs. Archana Bhole

● **Woman Director :**

As per the provisions of the Companies Act, 2013 read with the Listing Regulations, Ms. Anjana Tolani (DIN: 09794298), (Category: Non-Executive & Independent) and Mrs. Archana Bhole (DIN: 06737829), (Category: Non-Executive & Non-Independent) continued to be Women Director on the Board of the Company for the financial year 2023-24.

● **Appointments / Re-appointments during the FY under review :**

- Mrs. Archana Bhole (DIN: 06737829) was appointed as an Additional Director (Non-Executive, Non-Independent) by the Board of Directors of the Company at their Board meeting held on 15th April 2023. Further, Mrs. Archana Bhole (DIN: 06737829) was appointed as a Director (Non-Executive, Non-Independent) on the Board of the Company liable to retire by rotation, by the members of the Company at the Annual general Meeting held on 30th June 2023.
- Mr. Vineet Ladhania (DIN: 08113413) was appointed as an Additional Director (Category - Non-Executive & Independent), at the Meeting of Board of Directors held on 13th October 2023;
- Mr. Swapnil Shivkumar Agrawal (DIN: 01709908) ceased to be an Independent Director of the Company on completion of his fixed term of his tenure of appointment, with effect from 06th November, 2023.
- Mr. Vineet Ladhania (DIN: 08113413) was appointed as an Independent Director , not liable to retire by rotation at the Extra Ordinary General Meeting of the members of the Company held on 06th November 2023 for a fixed first term of Two (02) consecutive years, i.e. from 13th October, 2023 up to 12th October, 2025.
- Mr. Ajay Kumar Gandhi (DIN:09516767) was re- appointed as an Independent Director , not liable to retire by rotation at the Extra Ordinary General Meeting of the members of the Company held on 06th November 2023 for a fixed second term of consecutive One (01) year, i. e from the conclusion of 07th November 2023 up to 06th November, 2024.

- f. Ms. Anjana Tolani (DIN: 09794298) was re-appointed as an Independent Director, not liable to retire by rotation at the Extra Ordinary General Meeting of the members of the Company held on 06th November 2023 for a period of fixed second term of consecutive One (01) year, i. e from the conclusion of 18th November 2023 up to 17th November, 2024.

● **Meetings, agenda and proceedings etc. of the Board of Directors**

**The attendance of Director/s at the Board Meeting/s and Thirty-Fourth (34th) Annual General Meeting, details of their Directorship in other Companies, Partnership in other Firms or LLP and Membership in the Board Committees of the Company:-**

In accordance with Regulation 26 of the Listing Regulations, none of the Directors are members in more than 10 committees excluding private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 or act as Chairperson of more than 5 committees across all listed entities in which he/she is a Director. Further all Directors have informed about their Directorships, Committee Memberships/Chairmanships including any changes in their positions.

Sr. No	Name of the Director	Designation	Directorship in other Companies	Partnership in LLP's	Committee Membership (including Shradha AI Technologies Ltd)
01	Mr. Sunil Raisonni	Managing Director	14	2	1
02	Mr. Kalpesh Bafna	Independent Director	Nil	2	4
03	Mr. Ajay Kumar Gandhi	Independent Director	1	Nil	3
04	Mr. Swapnil Agrawal*	Independent Director	5	Nil	Nil
05	Ms. Anjana Tolani	Independent Director	Nil	Nil	1
06	Mr. Vineet Ladhania*	Independent Director	1	2	3
07	Mrs. Archana Bhole	Non-Independent Director	5	Nil	Nil

● **Board Meetings during the Year and attendance of directors :**

During the Financial Year 2023-2024, the Board of Directors met Nine (9) times i.e., on (1) 15th April 2023, (2) 15th May 2023, (3) 24th July 2023, (4) 11th August 2023, (5) 21st August 2023 (6) 11th September 2023 (7) 13th October 2023 (8) 02nd November 2023 and (9) 24th January 2024. The maximum gap between any two consecutive meetings was less than one hundred and twenty days, as stipulated under Section 173(1) of the Act, and Regulation 17(2) of the Listing Regulations and the Secretarial Standard by the Institute of Company Secretaries of India.

Name of the Director	Attendance at the Board Meetings held on									Attendance at 34 <sup>th</sup> AGM
	15.4.23	15.5.23	24.7.23	11.8.23	21.8.23	11.9.23	13.10.23	2.11.23	24.1.24	
Mr. Sunil Raisonni	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Kalpesh Bafna	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Ajay Kumar Gandhi	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
*Mr. Swapnil Agrawal	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	*Cessa-tion w.e.f. 6.11.23	Yes



Name of the Director	Attendance at the Board Meetings held on									Attendance at 34 <sup>th</sup> AGM
	15.4.23	15.5.23	24.7.23	11.8.23	21.8.23	11.9.23	13.10.23	2.11.23	24.1.24	
Ms. Anjana Tolani	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
*Mr. Vineet Ladhania	*Appointed w.e.f. 13.10. 2023						Yes	Yes	Yes	No
Mrs. Archana Bhole	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

\*1. Mr. Swapnil Shivkumar Agrawal (DIN: 01709908) ceased to be an Independent Director of the Company on completion of his fixed term of his tenure of appointment, with effect from 06th November, 2023.

\*2. Mr. Vineet Ladhania (DIN: 08113413) was appointed as an Independent Director, not liable to retire by rotation with effect from 13th October, 2023.

#### ● Board Processes :

- A detailed agenda, setting out the business to be transacted at the meeting(s), supported by detailed notes and presentations, if any, is sent to each Director before the date of the Board Meeting(s) and of the Committee meeting(s).
- The Directors are provided with the video conferencing (VC) facility to participate in Board and Committee meetings. The Directors participated in these meetings either through the VC facility or in person.
- The Company has well-established framework for the meetings of the Board and its Committees to enable decision making process at the meetings in an informed and efficient manner. The Directors have unrestricted access to all the information pertaining to the Company.
- The Board has constituted Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee. Each of the Committees deal with matters as mandated by the statutory regulations and play a very crucial role in the overall governance structure. All the Committees have specific terms of reference approved by the Board which outlines the composition, scope, powers & duties and responsibilities. At each Board meeting, the Chairperson of respective Committees briefs the Board on matters discussed by the Committee at their respective meetings. The minutes of the meeting of all Committees are placed before the Board for review. During the year, all recommendations of the Committees of the Board have been accepted by the Board.
- The Board of Directors had established a Management Committee to oversee the day to day operations of the Company, which consist of Two Directors and Chief Executive Officer subject to supervision and control of the Board of Directors. The Management Committees appointed by the Board of Director make decision within the authority delegated. All decisions/ recommendation of the Committees are placed before the Board of Director for information and/or it's its approval.
- The Company adheres to the provisions of the Act, Secretarial Standards and Listing Regulations with respect to convening and holding the meetings of the Board of Directors, its Committees, and the General Meetings of the members of the Company.

#### ● Independent Directors:

The Company has complied with the definition of Independence according to the provisions of section 149(6) Companies Act, 2013 and as stipulated by Schedule IV - Code of Independent Directors to the Companies Act, 2013. Eminent people having an independent standing in their respective field/profession, and who can effectively contribute to the Company's business and policy decisions are shortlisted by the Human Resources Department and thereon, the Nomination and Remuneration Committee, shall consider and recommend for the appointment, as Independent Directors to the Board of Directors of the Company. The Committee, inter alia, considers qualification, positive attributes, area of expertise and number of Directorships and Memberships held in various committees of other companies by such persons. The Board considers the Committee's recommendation, and takes appropriate decision.

- **Declaration By Independent Directors:**

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every FY, gives a declaration that he / she meets the criteria of Independence as provided under Section 149(6) of the Act and applicable rules made thereunder and Regulation 16(1)(b) & 25(8) of the Listing Regulations. The Company has received necessary declarations from each Independent Director that he / she meets the criteria of Independence in terms of the said provisions.

None of the Non-Executive, Independent Directors has any material pecuniary relationship or transactions with the Company.

- **Induction, Training and Familiarisation Programme for Board Members:**

The Independent Directors of the Company meet without the presence of the Executive Directors and Non- Executive Director. These Meetings are conducted to enable the Independent Directors to, inter alia, discuss matters pertaining to review of performance of Executive and Non-Independent Directors and the Board of Directors as a whole, assess the quality, quantity, and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to perform their duties effectively. Further, they are periodically updated on material changes in regulatory framework and its impact on the Company.

When an Independent Director is inducted on the Board, a detailed induction program is conducted including organization structure, ethics and compliance practices, key therapies and products in which the Company operates, performance management, succession planning, Company policies, etc. The details of such familiarization programmes for Independent Director(s) are put up on the website of the Company <https://shradhaitechnologies.com/>.

- **Evaluation of the Board's Performance:**

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgment.

In a separate meeting of the Independent Directors, the performance of the Non-Independent Directors, performance of the Board as a whole and performance of the Chairperson was evaluated.

- **Board Diversity**

The Company recognizes its obligation to maintain a Board with a diversity of Directors. The Company considers that the concept of diversity incorporates several different aspects such as professional experiences, business perspectives, skills, knowledge, gender, age, cultural and educational background, ethnicity, and length of service. The Company believes that Board diversity enhances decision making capability and a diverse Board is more effective in dealing with organizational changes and less likely to suffer from group thinking.

### 3) BOARD COMMITTEES :

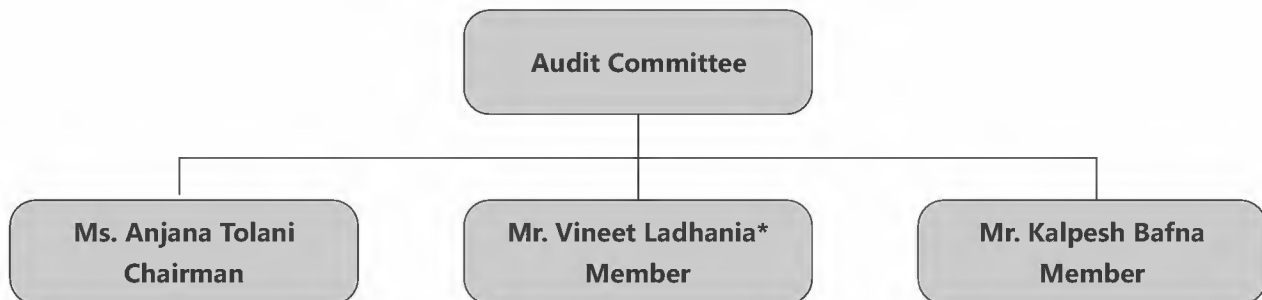
The Board Committees play a crucial role in the governance structure of the Company and are being set out to deal with specific areas / activities which concern the Company and need a closer review. They are set up under the formal approval of the Board to carry out their clearly defined roles. The Board supervises the execution of its responsibilities by the committees and is responsible for their actions.

Keeping in view the requirements of the Act as well as the Listing Regulations, the Board has decided the terms of reference of the various committees which set forth the purposes, goals and responsibilities of the Committees. All observations, recommendations and decisions of the Committees are placed before the Board for information and / or for approval.



#### I. AUDIT COMMITTEE:

Your Company has a duly constituted Audit Committee and its composition is in line with the requirements of the Act and Listing Regulations. As on March 31, 2024, Audit Committee comprised three members, who are independent directors of the Company:



*\* Mr. Vineet Ladhania appointed as a member of the Audit Committee w.e.f. 13th October 2023.*

The Company Secretary acts as a Secretary to the Committee.

The terms of reference of the Audit Committee are wide and cover all the matters specified for Audit Committee under Regulation 18 read with Part C of Schedule II to the Listing Regulations and the Act. The terms of reference of the Audit Committee include inter-alia, overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible; reviewing and examining with management the quarterly and annual financial results and the auditors' report thereon before submission to the Board for approval; reviewing management discussion and analysis of financial condition and results of operations; reviewing, approving or subsequently modifying any related party transactions in accordance with the Company's policy on Related Party Transaction; recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval for payment of any other services; reviewing and monitoring the auditor's independence and performance and effectiveness of audit process; reviewing the adequacy of internal control systems; reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues reviewing the functioning of the Code of the Company and Whistle-Blowing Mechanism; and review of internal controls pertaining to compliances under the Insider Trading Regulations.

During the year, the Audit Committee was re-constituted due to appointment of Mr. Vineet Ladhania (Non-Executive, Independent Director) as a Member of the Committee w.e.f. 13th October 2023 and Mr. Swapnil Shivkumar Agrawal (Non-Executive, Independent Director) ceased to be the Member of the Committee w.e.f. 06th November 2023 due to expiration of his term as a director of the Company.

During the year ended 31st March 2024 Seven (07) meetings of the Audit Committee were held on (1) 15th April 2023, (2) 15th May 2023, (3) 26th June 2023, (4) 11th August 2023, (5) 11th September 2023 (6) 02nd November, 2023 and (7) 24th January 2024. The Company is in compliance with the provisions of Regulation 34(3) and 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The necessary quorum was present at all the meetings. The table below provides the attendance of the Audit Committee members:

**Attendance:**

Name of the Director	Designation	Category	No. of meetings attended
Ms. Anjana Tolani	Chairman	Independent Director	7/7
Mr. Kalpesh Bafna	Member	Independent Director	7/7
Mr. Swapnil Agrawal	Member	Independent Director	*6/7
Mr. Vineet Ladhania	Member	Independent Director	*2/7

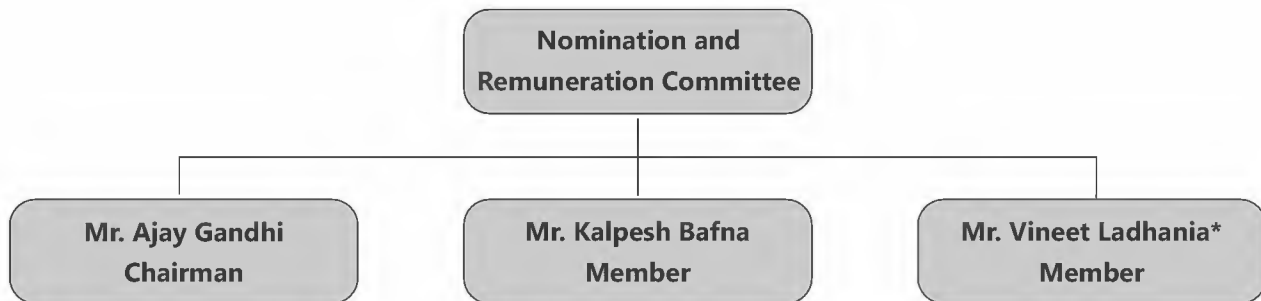
\*1. Mr. Vineet Ladhania was appointed as an independent Director w.e.f. 13th October 2023.

\*2. Mr. Swapnil Agrawal was ceased to Director from the Board and committees thereof w.e.f. 06th November 2023.

\*3. Composition of the Audit Committee has been re-constituted w.e.f. 24th January 2024.

**II. NOMINATION AND REMUNERATION COMMITTEE**

Nomination and Remuneration Committee ('NRC') comprises of three members, who are Independent Directors of the Company, namely:



\* Mr. Vineet Ladhania appointed as a member of the Nomination and Remuneration Committee w.e.f. 13th October 2023.

- The terms of reference of the Committee are in line with the requirements of Regulation 19 read with Part D of Schedule II to the Listing Regulations and the Act, which include:
  1. Formulate and recommend Nomination and Remuneration Policy to the Board.
  2. For every appointment of an Independent Director, the Committee shall evaluate the balance of skills, knowledge, and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director.
  3. Identify the candidates who are qualified to become Directors.
  4. Identify the persons who are qualified to become Senior Management as per the Nomination and Remuneration Policy.
  5. Lay down the process for evaluation of the performance of Board, its Committees and individual Director and review its implementation and compliance.
  6. Review the succession policies and plans for Directors and Senior Management.

### ● Meetings and Attendance during the year :

Three (03) meetings of the Nomination & Remuneration Committee were held on (1) 15th April 2023, (2) 15th May 2023 and (3) 13th October, 2023 during the financial year.

#### Attendance :

Name of the Director	Designation	Category	No. of meetings attended
*Mr. Swapnil Agrawal	Chairman	Independent Director	3/3
Mr. Kalpesh Bafna	Member	Independent Director	3/3
Mr. Ajay Kumar Gandhi	*Chairman (Appointed as a Chairman w.e.f. 24th January 2024)	Independent Director	3/3
*Mr. Vineet Ladhania	Member	Independent Director	*NA

#### Note:

- \*1. Mr. Swapnil Agrawal was ceased to Director from the Board and committees thereof w.e.f. 06th November 2023
- \*2. Mr. Vineet Ladhania was appointed as an independent Director w.e.f. 13th October 2023.
- \*3. Composition of the Nomination & Remuneration Committee has been re-constituted w.e.f. 24th January 2024.

### ● Nomination and Remuneration Policy

The Nomination and Remuneration Policy of the Company is performance driven and is designed to motivate employees, recognize their achievements, and promote excellence in performance. The Nomination and Remuneration Committee has approved the Nomination and Remuneration Policy which sets out criteria for inducting Board members.

Overall, the policy provides guidance on:

- 1) Selection and nomination of Directors to the Board of the Company;
- 2) Appointment of the Senior Management Personnel of the Company; and
- 3) Remuneration of Directors, Key Management Personnel and other employees.

The Policy is available on Company's website at <https://shradhaatechnologies.com/>.

### ● REMUNERATION OF DIRECTORS:

#### Remuneration paid to Executive Director & Key Managerial Persons (KMP):

The appointment and remuneration of executive Directors & Key Managerial Persons (KMP) is governed by the recommendation of the Nomination and Remuneration Committee, resolution passed by the Board of Directors and Shareholders of the Company. The Remuneration of Executive Director(s) comprises of salary, perquisites, allowances and contribution to provident and other retirement funds as approved by the Shareholders in the General Meetings. Annual increments are linked to the performance and are decided by the Nomination and Remuneration Committee and recommended to the Board of Directors for approval thereof.

#### The total remuneration of Executive Directors consists of:

- A fixed component – consisting of salary, perquisites and benefits; the perquisites and benefits are in line with the applicable and prevalent rules of the Company.
- No sitting fees is payable to any Executive Director/s of the Company for attending the Board and/or Committee meeting/s.

Further, as a matter of policy the Company adheres to and follows the relevant provisions of the Companies Act, 2013 read with relevant Schedule & Rules made there under, for payment of remuneration to the Executive Directors and Key Managerial Personnel of the Company. The remuneration package of the Executive Directors is normally decided over a period for 3/5 years by the Nomination and Remuneration Committee. Presently, the Company does not have a scheme for grant of stock options or performance linked incentive for its Directors.

The aggregate value of salary and perquisites paid/payable to Executive Directors & Key Managerial Persons (KMP) for the year ended 31st March, 2024 is as below.

(Rs. In lacs)

Particulars	Mr. Sunil Rasoni (Managing Director)	Ms. Harsha Bandhekar (Company Secretary)
Fixed Components:		
Salary and allowances	18.00	3.75
Monetary Value Perquisites	--	--
Reimbursement of Expenses	--	--
Variable Components:		
Commission	--	--
Bonus / Incentive / Variable Pay	--	--
Total	--	--
Leave Encashment	--	--
<b>Gross Total</b>	<b>18.00</b>	<b>3.75</b>
Director's Sitting Fees for FY 2023-2024	--	--
Outstanding Stock Options as at 31st March, 2024	--	--
Shareholding as at 31st March, 2024	6866856 (28.16%)	--

#### ● Remuneration to Non-Executive Directors :

The Non-Executive Directors are paid remuneration in the form of sitting fees and during the year, there were no pecuniary relationships or transactions between the Company and any of its Non-Executive Directors apart from sitting fees. Independent Directors and Non-executive Directors are paid Sitting fees for attending Board and Committee Meetings.

The Sitting fees paid and Commission payable to Independent Director/ Nonexecutive Directors for the year ended 31st March 2024 is given below:

(Rs. In lacs)

No.	Name of the Director	Sitting Fees paid	Commission Payable	Total
1	*Mr. Swapnil Agrawal	0.1		0.1
2	Mr. Ajay Gandhi	0.2	-	0.2
3	Mr. Kalpesh Bafna	0.2	-	0.2
4	Ms. Anjana Tolani	0.2	-	0.2
5	Mr. Vineet Ladhania	0.2	-	0.2
6	Mrs. Archana Bhole	0.2	-	0.2

Besides dividend on equity shares held, if any, by the non-executive directors no other payments have been made or transaction of a pecuniary nature entered into by the Company with the said directors.

#### III. STAKEHOLDERS RELATIONSHIP COMMITTEE:

Stakeholders' Relationship Committee ("SRC") comprises of the following members



● **Terms of Reference :**

The role of the Stakeholders Relationship Committee includes:

- a) To review and take all necessary actions for redressal of grievances and complaints of security holders as may be required in the interests of the security holders.
- b) To approve requests of re-materialisation of shares / securities, issuance of split and duplicate shares / security certificates.

**During the financial year, the committee had:**

- a) Monitor and review any investor complaints received by the Company or through SEBI SCORES and ensure its timely and speedy resolution, in consultation with the Company Secretary, Compliance officer and Registrar and Share Transfer Agent of the Company.
- b) Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading.
- c) Carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable.

The Secretarial Department of the Company and the Registrar and Share Transfer Agents namely, Skyline Financial Services Private Limited attend to all grievances of the shareholders received directly through SEBI, Stock Exchanges, Registrar of Companies, Ministry of Corporate Affairs, etc. The Minutes of the Stakeholders Relationship Committee Meetings are circulated to the Board and noted by the Board of Directors at the Board Meetings. Continuous efforts are made to ensure that the grievances are more expeditiously redressed to the satisfaction of the Investors. Shareholders are requested to kindly provide their contact details to facilitate prompt action.

● **Meetings and Attendance during the year :**

During the year the One (1) meeting of the Stakeholders Relationship Committee was duly held on 11th September 2023. The table below provides the attendance of the Committee members:

**Attendance :**

Name of the Director	Designation	Category	No. of meetings attended
*Mr. Swapnil Agrawal	Chairman	Independent Director	1/1
Mr. Kalpesh Bafna	Member	Independent Director	1/1
Mr. Ajay Kumar Gandhi	*Chairman (Appointed as a Chairman w.e.f. 24th January 2024)	Independent Director	1/1
*Mr. Vineet Iadhanania	Member	Independent Director	NA

**Note:**

\*1. Mr. Swapnil Agrawal was ceased to Director from the Board and committees thereof w.e.f. 06th November 2023

\*2. Mr. Vineet Iadhanania was appointed as an independent Director w.e.f. 13th October 2023.

\*3. Composition of the Nomination & Remuneration Committee has been re-constituted w.e.f. 24th January 2024.

**a) Nature of Complaints and Redressal Status:-**

The following table shows the Shareholders' complaints received during FY 2023-2024:

Particulars	No. of Complaints
Investor complaints pending at the beginning of the year	NIL
Investor complaints received during the year	NIL
Investor complaints disposed off during the year	NIL
Investor complaints remaining unresolved at the end of the year	NIL

**b) Other Information :**

The Company has already created a designated e-mail ID for the Investor Grievances or Complaints as shradhaindustrieslimited1@gmail.com. The required information had already been sent to the concerned Stock Exchanges and also displayed at the Company's website <https://shradhaaitechnologies.com/>.

**IV) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:**

The CSR Committee provides guidance on various CSR activities to be undertaken by the Company and monitors its progress.

● **The terms of reference for the CSR Committee include:**

- formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013 as amended from time to time;
- recommend the amount of expenditure to be incurred on the activities referred to in clause(a); and
- monitor the Corporate Social Responsibility (CSR) Policy of the Company from time to time;
- such other functions / activities as may be assigned / delegated from time to time by the Board of Directors of the Company and/or pursuant to the provisions of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015 / Listing Regulations].

● **Meetings and Attendance during the year :**

During the Year the meeting of the Corporate Social Responsibility was duly held on 24th January 2024. The table below provides the attendance of the Committee members:



Name of the Director	Designation	Category	No. of meetings attended
Mr. Kalpesh Bafna	Chairman	Independent Director	1/1
Mr. Sunil Raisoni	Member	Managing Director	1/1
Mr. Ajay Kumar Gandhi	Member	Independent Director	1/1

The Company Secretary acts as Secretary to the Committee.

● **The details of CSR project undertaken by the Company:**

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs. Lacs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Promoting Education	Education programs focusing on enhancement of knowledge leading to up-gradation of skills & empowerment and fee concession to the students	Yes	Nagpur		0.50/-	No	SGR Knowledge Foundation	CSR00009484

**Note:** the detail on expenditures made on CSR project are mentioned in the Annual Report on Corporate Social Responsibility (CSR) Activities annexed to the Board Report as Annexure- D.

**4) GENERAL BODY MEETINGS:-**

a) Location and time where last three Annual General Meetings were held are as under:-

Financial Year	Date and Time	Location/Venue of the Meeting	Details of Special Resolution passed
2022-2023	30th day of June, 2023 at 12.30 P.M.	Registered Office of the Company at 1st floor, 345, Shradha House, Kingsway Road, Nagpur - 440001, Maharashtra, India	-
2021-2022	24th day of September, 2022 at 10.30 A.M.	Registered Office of the Company at D-91, MIDC Jalgaon, Jalgaon - 425001, Maharashtra, India	1. Re-appointment of Mrs. Shobha Raisoni (DIN: 00162943) as Managing Director.
2020-2021	30th day of September, 2021 at 10.30 A.M.	Registered Office of the Company at D-91, MIDC Jalgaon, Jalgaon - 425001, Maharashtra, India	1. Re-appointment of Mr. Ravindra Bastiram Sharma as an Independent Director. 2. Reappointment of Mr. Kalpesh Lalitkumar Bafna as an Independent Director. 3. To approve the increase in the limits applicable for making investments / extending loans and giving guarantees or providing securities in connection with loans to Persons / Bodies Corporate.

**b) Details of Extra Ordinary General Meetings were held during the year:-**

Sr. No.	Date and Time	Location/Venue of the Meeting	Details of Special Resolution passed
1	05th April, 2023 at 11.00 a.m.	Registered Office of the Company at D-91, MIDC Jalgaon, Jalgaon - 425001, Maharashtra, India - through video conferencing/other audio visual means	<ol style="list-style-type: none"> <li>To approve Direct listing of specified Securities (Equity Shares) of the Company on Main Board of Bombay Stock Exchange of India Limited ("BSE");</li> <li>To approve Shifting of Registered office of the Company C/o D-91, MIDC Jalgaon, Jalgaon - 425001, Maharashtra, India to "1st floor, 345, Shradha House, Kingsway Road, Nagpur - 440001, Maharashtra, India,"</li> </ol>
2	09th September, 2023 at 11.30 a.m.	Registered Office of the Company at 1st floor, 345, Shradha House, Kingsway Road, Nagpur - 440001, Maharashtra, India, through video conferencing/other audio visual means	<ol style="list-style-type: none"> <li>To Change the Name of the Company from SHRADHA INDUSTRIES LIMITED to "SHRADHA AI TECHNOLOGIES LIMITED."</li> <li>Subdivision Of Existing Equity Share of Face Value Of Rs.10/- (Ten) Each Fully Paid Up Into Two Equity Shares Of Face Value Of Rs.5/- (Five) Each Fully Paid Up.</li> <li>Alteration of Capital Clause V of Memorandum of Association (MOA) Of The Company.</li> </ol>
3	06th November 2023 at 11.30 a.m.	Registered Office of the Company at 1st floor, 345, Shradha House, Kingsway Road, Nagpur - 440001, Maharashtra, India, through video conferencing/other audio visual means	<ol style="list-style-type: none"> <li>To appoint Mr. Vineet Ladhania (DIN: 08113413) as an Independent Director of the Company.</li> <li>To Re- appoint Mr. Ajay Kumar Gandhi (DIN: 09516767) as an Independent Director of the Company.</li> <li>To Re-appoint Ms. Anjana Tolani (DIN: 09794298) as an Independent Director of the Company.</li> </ol>

**c) Postal Ballot Conducted During The Year**

During the financial year 2023-24 the Company has not passed any resolution through Postal Ballot.

**5) MEANS OF COMMUNICATION:-**

- The Unaudited Quarterly results are announced within forty-five days from the close of the respective period. The audited annual results are announced within sixty days from the closure of financial year as per the requirement of the listing regulations with the Stock Exchanges.
- The Company's financial results are displayed on the Company's website at <https://shradhaaitechnologies.com/>, under the investors section.
- Management Discussion and Analysis forms part of this Annual Report.
- The financial results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges i.e. the Metropolitan Stock Exchange of India Limited and BSE are filed electronically. The Company has complied with filing submission at MSE through mylisting portal and on xbrl.msei.in and at BSE through BSE Listing Center.

**6) GENERAL SHAREHOLDER INFORMATION :****d) ANNUAL GENERAL MEETING FOR THE FINANCIAL YEAR 2023-2024:**

Day and Date	Friday, 19th July, 2024
Time	11.30 A.M.
Venue	Since the AGM is held through VC / OVAM, the registered office of the Company will be the deemed venue.

**e) DETAILS OF SHARES LISTED ON STOCK EXCHANGE AS ON 31ST MARCH, 2024 IS AS UNDER:**

Listed on Stock Exchange	1. The Metropolitan Stock Exchange of India Limited (MSE) - Main Board 205(A), 2nd floor, Piramal Agastya Corporate Park, Kamani Junction, LBS Road, Kurla (West), Mumbai – 400070.
	2. BSE Limited- Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001

**f) STOCK CODE**

Trading Symbol at Stock Exchange	SHRAAITECH
Demat ISIN Number in NSDL & CDSIL	INE489B01023

**g) STOCK MARKET DATA**

- i. The high and low prices recorded on the Metropolitan Stock Exchange of India Limited (MSE) with the respective Indices (SX40) are as under:

Month	Share Price of SIL		SX40	
	MSE		High	Low
	High	Low		
April 2023	33.50	19.90	34763.85	33505.29
May 2023	36.55	35.00	35817.74	24739.77
June 2023	36.55	35.00	36860.92	35525.24
July 2023	36.55	35.00	38393.64	36860.92
August 2023	36.55	35.00	37979.11	37058.78
September 2023	68	26.51	38807.88	37058.78
October 2023	53	28.25	37942.77	36037.71
November 2023	53	44.15	38316.47	36304.04
December 2023	66.99	47.85	41525.67	38316.47
January 2024	72.69	56.15	42117.61	40330.05
February 2024	73.95	53.02	42152.71	40990.22
March 2024	68.77	48.61	42685.19	41446.45

(Source: Official website of the Metropolitan Stock Exchange of India Limited (MSE) Platform i.e. <https://www.msei.in/indices/index-report>)

ii. High/Low during each month in the year 2023-2024 Share Price on BSE:

Month	Share Price of SIL		SX40	
	MSE		High	Low
	High	Low		
*April 2023	-	-	-	-
*May 2023	-	-	-	-
*June 2023	-	-	-	-
*July 2023	-	-	-	-
*August 2023	-	-	-	-
September 2023	68	26.51	67927.23	64818.37
October 2023	53	28.25	66592.16	63092.98
November 2023	53	44.15	67069.89	63550.46
December 2023	66.99	47.85	72484.34	67149.07
January 2024	72.69	56.15	73427.59	70001.6
February 2024	73.95	53.02	73413.93	70809.84
March 2024	68.77	48.61	74245.17	71674.42

*\*Shradha AI Technologies Limited has listed on BSE through Direct Listing on Main Board of BSE w.e.f. 11th September 2023.*

h. REGISTRAR & SHARE TRANSFER AGENT AND PROCESS OF TRANSFER OF SHARES

M/s. Skyline Financial Services Private Limited, CIN: U74899DL1995PTC071324, Address: 4/505, Dattani Plaza, Andheri Kurla Road, Safeed Pool, Mumbai- 400072., Maharashtra, India have been acting as the Registrar & Share Transfer Agent of the Company. All the Shareholders and Investors related Services, subject to the approval of the Company either through Board or Committee of the Board, are done by the said Registrar and Share Transfer Agent for and on behalf of the Company.

**Green Initiative** – As a part of its green initiative, the Company has taken necessary steps to send documents viz. notice of the general meeting, Annual Report, etc. at the registered email addresses of shareholders. Those who have not yet registered their email ids are requested to register the same with the Registrar & Share Transfer Agents/Depository, to enable the Company to send the documents by electronic mode.

Due to the outbreak of Covid – 19, The MCA Circulars read with the Securities and Exchange Board of India (“SEBI”) Circular no. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022 (“SEBI Circular”), has dispensed with the requirement of sending the physical copies of the AGM Notice and Annual Report to the members. Accordingly, the Notice of the AGM and the Annual Report (2023-24) of the Company are being sent only through electronic mode to those members whose e-mail addresses are registered with the Company / Depositories. Member may note that Notice and Annual Report 2023-2024 has been uploaded on the website of the Company at <https://shradhaaitechnologies.com/>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. Metropolitan Stock Exchange of India Limited (MSE) at [www.mse.in](http://www.mse.in) and BSE at <https://www.bseindia.com/>. The AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com).

**i) DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2024**

Range of Equity Shares held (Nos)	Number of Holders	% of Shareholders	No. of Equity Shares held	% of Capital
Upto - 5,000	3247	89.47	2398285	1.97
5,001 - 10,000	171	4.71	1429185	1.17
10,001 - 20,000	68	1.87	958220	0.79
20,001 - 30,000	22	0.61	573925	0.47
30,001 - 40,000	17	0.47	573960	0.47
40,001 - 50,000	14	0.39	636990	0.52
50,001 - 1,00,000	40	1.10	2827640	2.32
1,00,001 and above	50	1.38	112506635	92.29
<b>TOTAL</b>	<b>3629</b>	<b>100.00</b>	<b>121904840</b>	<b>100.00</b>

**j) SHAREHOLDING PATTERN (CATEGORY WISE) AS ON 31ST MARCH, 2024**

Sr. No.	Category	No. of Shareholders	Total Equity Shares	Percentage of Total Shareholding
1	Promoters & Promoter Group (Individuals/Body Corporates )	13	1,82,03,044	74.66%
2	Non-institutions - Non Resident Indians	25	18,411	0.08%
3	Bodies Corporate (Public)	17	23,91,856	9.81%
4	Indian Public Shareholders	3574	37,67,657	15.45%
5	Clearing Members / Corporations / Market Makers	-	-	-
	<b>TOTAL</b>	<b>3629</b>	<b>2,43,80,968</b>	<b>100%</b>

**k) DEMATERIALIZATION OF SHARES AND TRADING AT STOCK EXCHANGES (LIQUIDITY)**

The Company has admitted its shares to the depository system of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization of shares. The equity shares of the Company are compulsorily traded in dematerialized form as mandated by Securities and Exchange Board of India (SEBI).

**l) STATUS OF DEMATERIALIZATION OF SHARES**

As on 31st March, 2024, 98.42 % of the Company's equity shares are held in dematerialized form and are listed on the Main Board Platform of Metropolitan Stock Exchange of India Limited (MSE) Platform as well as on Main Board of BSE Limited.

**7) AFFIRMATIONS AND DISCLOSURES:**

► **Compliance with Governance framework** – The Company is in compliance with all the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**a) Related Party Transactions -**

All related party transactions entered during the financial year were at an arm's length basis and in the ordinary course of business. 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. Accordingly, the detailed information for the transactions with the Key Managerial Personnel (KMP) with respect to payment of Managerial Remuneration pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 (as amended) are provided in "Annex - A" in prescribed Form No. AOC-2 and the same forms part of this Annual Report.

As required under regulation 23(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company at <https://shradhaatechnologies.com/>.

None of the transaction with related parties was in conflict with the interest of the Company. All the transactions are in the normal course of business and have no potential conflict with the interest of the Company at large and are carried out at arm's length basis or fair value.

● **Related Party Disclosures:**

Related Party	Relationship
Mr. Sunil Raisoni	Managing Director, Key Managerial Personnel
Mr. Pritam Raisoni	Chief Financial Officer (CFO)
Ms. Harsha Bandhekar	Company Secretary, Key Managerial Personnel
Mrs. Archana Bhole	Non-Executive, Non Independent Director
SGR Infratech Private Limited	Promoter Group Company
Riaan Ventures Private Limited	Promoter Group Company

● **Transactions with Related Parties:**

Sr. No	Particulars	Amount Lacs
1	Mr. Sunil Raisoni	Rs. 18.00/-
2	Ms. Harsha Bandhekar	Rs. 3.75/-
3	Mr. Archana Bhole	Rs. 0.2/-
4	SRG Infratech Pvt. Ltd.	Rs. 8.37/-
5	Riaan Ventures Private Limited	Rs. 117.40/-

the detailed information about the Related Party Transaction has been given in the Form AOC-2 annexed to the Board Report as Annex-A.

**Note:**

The Company has received the disclosure of interest from all the Directors and Key Managerial Personnel (KMP) of the Company in the Form No. MBP-1 as prescribed under the provisions of Section 184 of the Companies Act, 2013 read with rules made there under along with the list of their relatives as per Sub-section (77) of Section 2 of the Companies Act, 2013.

**b) Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to the capital market, during the last three years:**

There was no case of non-compliance of provisions of Companies Act, 2013 or Rules and regulations of Stock Exchanges or SEBI or any statutory authority and guidelines except provisions related to Composition of Stakeholders Relationship Committee for the whole quarter ended 31st December 2023 As per Regulation 20(2)/(2A) of SEBI LODR Regulations, 2015. In this regard, BSE Limited and MSEI have levied penalty amounting to Rs. 1,29,800/- each (inclusive of GST) during the year. However, the company has paid the said penalties with respective stock exchanges and submitted request for waiver of penalty to the stock exchanges.

Consequently there are no other penalties or strictures imposed by either SEBI or Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital market, during the last three years.

**c) Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit, Risk & Compliance Committee:**

Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 the Company has adopted an Ombuds process which is a channel for receiving and redressing employees' complaints. No personnel in the Company has been denied access to the Audit, Risk and Compliance Committee or its Chairman.

**d) Disclosure of Accounting Treatment -** In the preparation of financial statements the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the notes to the financial statements.

**e) Risk Management –** Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

**f) Disclosure under Section 22 & 28 of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

The following is the Summary of sexual harassment complaints received and disposed off during the financial year 2023-2024:

No. of Complaints Received	NIL	No. of Complaints Disposed off	NIL
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**g) Compliance with Mandatory Requirements:**

Your Company has complied with all the mandatory corporate governance requirements under the Listing Regulations.

**h) CEO / CFO Certificate on Corporate Governance:**

The Company has also obtained a certificate from the MD / CFO of the Company regarding compliance stipulation of Corporate Governance as stipulated in the Listing Regulations.

**i) Certificate on Corporate Governance :**

The Company has obtained a Certificate regarding compliance stipulation of Corporate Governance as stipulated in the Listing Regulations from Ms. Riddhita Agrawal, Practicing Company Secretary, (ICSI Membership No - 10054 & Certificate of Practice No - 12917), and the same is reproduced hereunder.

The Company has also obtained a Certificate of non-disqualification of Directors from Ms. Riddhita Agrawal, Practicing Company Secretary, Mumbai (ICSI Membership No-10054 & Certificate of Practice No-12917), pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the Listing Regulations and the same is also reproduced hereunder.

**8) DISCRETIONARY REQUIREMENTS UNDER SCHEDULE II PART E OF THE SEBI LISTING REGULATIONS:**

**a) Shareholder's Rights:**

The Company does not send half yearly declaration of financial performance to its shareholders. The financial results are displayed on the Company's website.

**b) Modified opinion in audit reports:**

For FY 2023-2024, the Auditors have expressed an unmodified opinion on the Financial Statements of the Company. The Company continues to adopt best practices to ensure a regime of unmodified Financial Statements.

**c) Reporting of Internal Auditor:**

The Company had appointed M/s V. K. Surana & Co., (ICAI Firm Registration No. 110634W) Chartered Accountants, Nagpur as the Internal Auditor of the Company for reviewing the internal control system operating in the Company. The Internal auditors report to the Audit Committee.

**ADDRESS FOR CORRESPONDENCE :**

<b>ADDRESS FOR CORRESPONDENCE OF SHAREHOLDERS / INVESTORS</b>	
<b>For all matters relating to Shares &amp; Dematerialization of shares be sent to</b>	<b>For all matters relating to Annual Reports / Dividend / Grievances :</b>
Skyline Financial Services Private Limited CIN: U74899DL1995PTC071324 Corporate Office: 4/505, Dattani Plaza, Andheri Kurla Road, Safeed Pool, Mumbai- 400072., Maharashtra, India Phone : 022 - 62215779 Fax : 022 - 28511022 E-mail : mumbai@skylinerta.com Website : www.skylinerta.com	Company Secretary Shradha AI Technologies Limited (Formerly known as Shradha Industries Limited) 1st floor, 345, Shradha House, Kingsway Road, Nagpur - 440001, Maharashtra, India Tel - 0712-6617181/82, Email: shradhaindustrieslimited1@gmail.com Website: <a href="https://shradhaaitechnologies.com/">https://shradhaaitechnologies.com/</a>

**For and on behalf of the Board**

Sd/-

**Sunil Raison**

Managing Director

DIN: 00162965

Address: Plot No. 75, Shivaji Nagar,  
 Shankar Nagar, S. O,  
 Nagpur - 440010 , Maharashtra, India

Sd/-

**Archana Bhole**

Director

DIN: 06737829

Address: Plot No. 11 Maskey Layout,  
 Santaji Society, Narendra Nagar,  
 Nagpur 440015, Maharashtra, India

**Place:** Nagpur**Date:** 30th May 2024**Enclosures :**

1. Declaration from Managing Director regarding the adherence to the Code of Business Conduct and Principles by the Board of Directors and Senior Management
2. Certification by the Managing Director (MD) on Financial Statements of the Company
3. Auditors Certificate on compliance with the conditions of Corporate Governance
4. Certificate of non-disqualification of Directors



**Declaration from Managing Director regarding the adherence to the Code of Business Conduct and Principles by the Board of Directors and Senior Management**

To

The Members of

**Shradha AI Technologies Limited**

**(Formerly known as Shradha Industries Limited)**

CIN: L51227MH1990PLC054825

Address: 1st floor, 345, Shradha House,

Kingsway Road, Nagpur - 440001,

Maharashtra, India

On the basis of the written declaration received from the Members of the Board and Senior Management Personnel of the Company in terms of the relevant Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (to the extent applicable), we hereby certify that the Members of the Board of Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of Business Principles and Conduct of the Company during the financial year 2023-2024 ended 31st March 2024.

**Shradha AI Technologies Limited**

**(Formerly known as Shradha Industries Limited)**

**Sunil Raison**

Managing Director

DIN: 00162965

Address: Plot No. 75, Shivaji Nagar,

Shankar Nagar, S. O, Nagpur - 440010, Maharashtra, India

**Place :** Nagpur

**Date :** 30th May 2024

**Certification by the Managing Director (MD) and Chief Financial Officer (CFO) on Financial Statements of the Company:**

**(Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

We, Sunil Raisonni, Managing Director and Pritam Raisonni, Chief Financial Officer of Shradha AI Technologies Limited (Formerly known as Shradha Industries Limited), certify that:

- A. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2024 and to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading and
  - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- B. there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or in violation of the Company's code of conduct;
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps that we have taken or propose to take to rectify the identified deficiencies; and
- D. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
- (1) significant changes, if any, in internal control over financial reporting during the year;
  - (2) significant changes, if any, in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) there were no instances of fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For and on behalf of the Board**

Sd/-

**Sunil Raisonni**

Managing Director

DIN: 00162965

Address: Plot No. 75, Shivaji Nagar,  
Shankar Nagar, S. O,  
Nagpur - 440010, Maharashtra, India

Sd/-

**Pritam Raisonni**

Chief Financial Officer

PAN No. : ADKPR9324D

Address: Vitraag 10 Saraswati Wadi,  
Ganpati Nagar, Jalgaon – 425002,  
Maharashtra, India

**Place:** Nagpur

**Date:** 30th May 2024

# AUDITORS' CERTIFICATE

## Certificate on compliance with the conditions of Corporate Governance

To  
The Shareholder (Members)  
**Shradha AI Technologies Limited**  
**(Formerly known as Shradha Industries Limited)**  
CIN: L51227MH1990PLC054825  
Registered Office : 1st floor, 345,  
Shradha House, Kingsway Road,  
Nagpur - 440001, Maharashtra, India

I have examined the compliance of conditions of Corporate Governance by Shradha AI Technologies Limited (Formerly known as Shradha Industries Limited) ('the Company'), for the financial year 2023-2024 ended 31st March, 2024, as stipulated in Regulation 15(2) [Regulation 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V] of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [as amended], (hereinafter referred to as 'SEBI Listing Regulations').

### **Managements' Responsibility**

The compliance of conditions of the Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

### **Auditor's Responsibility**

My responsibility is limited to examining the procedures and implementation thereof, adopted or followed by the Company, for ensuring the voluntary compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

I have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the voluntary compliance with Corporate Governance requirements, by the Company.

### **Opinion**

Based on my examination of the relevant records and according to the information and explanations provided to me together with the representations provided by the Company Management, I do hereby certify that, the Company has complied with the conditions of Corporate Governance, as stipulated in Regulation 15(2) [Regulation 17 to 27 and Clauses (b) to (i) of Sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V] of the Listing Regulations, for the financial year 2023-2024 ended 31st March 2024, to the extent applicable and adopted or followed on voluntary basis, by the Company.

I further state that such compliance is neither an assurance as to the further viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**CS RIDDHITA AGRAWAL**

**Practicing Company Secretary**

**ICSI Mem. No.: FCS - 10054**

**C.P.No.: 12917**

**UDIN: F010054F000404866**

**Peer Review Certificate No. : 1838/2022**

**Place: Mumbai**

**Date: 26/05/2024**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
**[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI**  
**(Listing Obligations and Disclosure Requirements) Regulations, 2015]**

To

The Shareholders (Members)

**Shradha AI Technologies Limited**  
**(Formerly known as Shradha Industries Limited)**

CIN: L51227MH1990PLC054825

Registered Office: 1st floor, 345,

Shradha House, Kingsway Road,

Nagpur - 440001, Maharashtra, India

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Shradha AI Technologies Limited (Formerly known as Shradha Industries Limited) (CIN - L51227MH1990PLC054825)** and having its registered office at **1st floor, 345, Shradha House, Kingsway Road, Nagpur - 440001, Maharashtra, India**, (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V, Para-C, Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [as amended].

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company and its officers, agents and authorized representatives, I do hereby certify that none of the Director/s on the Board of the Company as stated below for the financial year 2023-2024 ended on 31st March 2024 have been debarred or disqualified from being appointed or continuing as Director/s of Companies by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), or any such other Statutory Authority:-

Sr. No.	Name of Directors	DIN	Date of appointment in the Company at current designation
1	Mr. Sunil Raisoni	00162965	18/11/2022
2	Mr. Swapnil Shivkumar Agrawal	01709908	07/11/2022*
3	Mr. Kalpesh Lalitkumar Bafna	07484027	25/03/2016
4	Mr. Ajay Kumar Gandhi	09516767	07/11/2022
5	Ms. Anjana Tolani	09794298	18/11/2022
6	Mrs. Archana Bhole	06737829	15/04/2023
7	Mr. Vineet Ladhanía	08113413	13/10/2023

Ensuring the eligibility for the appointment or continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**\*Note:**

1. Cessation of Mr. Swapnil Shivkumar Agrawal (DIN: 01709908) as Director (Category: Non - Executive, Independent) of the Company on completion of his first fixed term of one year of appointment with effect from 06th November, 2023.

**CS RIDDHITA AGRAWAL**

Practicing Company Secretary

ICSI Mem. No: FCS - 10054

C.P.No. 12917

UDIN: F010054F000404910

Peer Review Certificate No. : 1838/2022

**Place :** Mumbai

**Date :** 26/05/2024

## INDEPENDENT AUDITOR'S REPORT

To the Members of,  
**Shradha AI Technologies Limited**  
(Formerly Known As: Shradha Industries Limited)  
CIN: L51227MH1990PLC054825

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of **Shradha AI Technologies Limited (Formerly Known As: Shradha Industries Limited) CIN: L51227MH1990PLC054825** ("the Company"), which comprise the Balance Sheet as at 31st March 2024, and the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

#### A. Inventories -

Sr. No.	The Key Audit matters	How our audit addressed the key audit matter / Auditor's Response
1)	<b>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of Ind AS 115 "Revenue from Contracts with Customer"</b>	
	Ind AS 115 requires certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue over a period. Additionally, this accounting standard contains disclosures which involve information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date	<p><b>Our audit approach included, among other items :</b></p> <ul style="list-style-type: none"> <li>• Testing the design and operating effectiveness of the internal controls and Substantive Testing As follows and substantive testing as follows :               <ul style="list-style-type: none"> <li>- Evaluating the design of internal controls and its operating Effectiveness relating to revenue recognition. Performance Obligations in those contracts.</li> </ul> </li> <li>• Selecting the sample of contract and Performing the following procedures</li> <li>• Comparing the performance obligations with that identified and recorded by the Company</li> <li>• Verifying the computation of unbilled revenue, based on actual cost incurred from estimated total cost to the extent of estimated total value of the various on-going projects.</li> <li>• Verifying the completeness of disclosure in the Standalone Financial Statements as per Ind AS 115.</li> </ul>

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, financial statements and our auditor's report thereon.

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

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

#### Responsibilities of Management and those charged with governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, board of director 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.

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

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing

of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report.

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A** - a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act read with relevant rules.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.



- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. As stated in Statement of Changes in Equity of the financial statements The interim Dividend and Final Dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act
- vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023. Based on our examination which included test checks, the Company has used accounting software's for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software.

**For Paresh Jairam Tank & Co.**

Chartered Accountants

Firm Reg. No. 139681W

**CA. Paresh Jairam Tank**

Partner

Membership No.: 103605

UDIN: 24103605BKEBER6109

Nagpur, May 30, 2024

**Annexure A to the Independent Auditor's**

**Report referred to in paragraph 2 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the members of Shradha AI Technologies Limited (Formerly Known As: Shradha Industries Limited), ("the Company") financial statements of the Company for the year ended March 31, 2024:**

- i) In respect of the Company's Fixed Assets
- a) i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment (Including Right of use asset)
  - ii) The Company does not own any intangible assets as at 31st March, 2024, accordingly reporting under this sub clause is not applicable.
- b) The Property Plant and Equipment (including Right Of use Asset) have been physically verified by the management at reasonable intervals, which in our opinion is reasonable having regard to the size of the Company and the nature of its asset. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- d) The Company has not revalued any of its Property, Plant and Equipment (including right of-use assets) and intangible assets during the year.
- e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii) a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- b) The Company has not been sanctioned working capital limits in excess of ₹ 500 lakhs, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii) During the year the Company has made investment and granted unsecured loans to entities other than related parties. The Company does not have subsidiaries, joint ventures or associates hence reporting of the same is not applicable.
- a) The Company has provided unsecured loans in respect of which-
- A. The Company has provided loans amounting to Rs. 1495.80 Lakhs during the year to entities other than subsidiary, Joint ventures or Associates; and the balance outstanding at the balance sheet date in respect of such loans granted is Rs. 1890.92 Lakhs.

<b>Aggregate amount granted/ provided during the year</b>	<b>Guarantees</b>	<b>Security</b>	<b>Loans</b>	<b>Advances in nature of loans</b>
(i) Subsidiaries	-	-	-	-
(ii) Joint Ventures	-	-	-	-
(iii) Associates	-	-	-	-
(iv) Others	-	-	1495.80	-
<b>Balance outstanding as at balance sheet date in respect of above cases</b>				
(i) Subsidiaries	-	-	-	-
(ii) Joint Ventures	-	-	-	-
(iii) Associates	-	-	-	-
(iv) Others	-	-	1890.92	-

- b) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has not been stipulated and the repayments of principal amounts and receipts of interest are generally been regular which is based on demand. The terms and conditions of the loan given are not prejudicial to company's interest.
- c) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- d) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the wholly owned subsidiary company, as the loan is repayable on demand.
- e) The company has not granted any loans or advances in the nature of loans to promoters or related parties as defined in clause (76) of the Act. The Company has granted loans repayable on demand to entities other than related parties during the year, the details for which are as follows;
- f) The Company has granted loan(s) or advance(s) in the nature of loans which are repayable on demand or without specifying any terms or period of repayment,

Aggregate amount of loans/ advances in nature of loans	All Parties	Promoters	Related Parties
(i) Repayable on demand (Rs. in Lakhs) (A)	1890.92	-	-
(ii) Agreement does not specify any terms or period of repayment (B)	-	-	-
<b>Total (A+B)</b>	-	-	-
Percentage of loans/ advances in nature of loans to the total loans	100.00%	0.00%	0.00%

- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, to the extent applicable in respect of grant of loans, making investments and providing guarantees and securities.
- v) The Company has not accepted deposits within the meaning of section 73 and 76 of the act and the companies (acceptance of deposits) rules, 2014 (as amended) during the year and does not have any unclaimed deposits as at March 31, 2024 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi) The maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Act, for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

**vii) In respect of statutory dues:**

a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Income Tax, and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Income Tax and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

b) According to the information and explanation given to us, there are no disputed dues of Goods and Services tax, Income Tax and other material statutory dues, which have not been deposited on account of any dispute.

- viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix) a. The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.

- b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c. The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- d. On an overall examination of the financial statements of the Company, The Company has not raised any funds on short term basis during the year and there are no outstanding loans of short term basis as at the beginning of the year and hence, reporting under clause 3(ix)(d) of the Order is not applicable.
- e. As the company doesn't have any subsidiary hence reporting under this clause is not applicable.
- f. The company has not raised any loans during the year, hence reporting on clause 3(ix)(f) of the orders is not applicable
- x) a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) During the year, the Company has not made preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable
- xi) a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) According to the information and explanation given to us, the Company has not received any whistle-blower complaints during the year.
- xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii) In our opinion and according to the information and explanations given to us transactions with related parties are in compliance with the provisions of section 177 and 188 of Companies Act, 2013 wherever applicable and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) a. In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b. We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi) a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors of the Company during the year.

- xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) a) There are no unspent amounts towards Corporate Social Responsibility ("CSR") on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- b) There are no unspent amounts in respect of ongoing projects that are required to be transferred to a special account in compliance of proviso of sub section (6) of the section 135 of the Companies Act.

**For Paresh Jairam Tank & Co.**

Chartered Accountants

Firm Reg. No. 139681W

**CA. Paresh Jairam Tank**

Partner

Membership No.: 103605

UDIN: 24103605BKEBER6109

Nagpur, May 30, 2024

### **Annexure - B to the Independent Auditor's Report**

**(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Shradha AI technologies Limited (Formerly Know As: Shradha Industries Limited) of even date)**

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

We have audited the internal financial controls over financial reporting of **Shradha AI Technologies Limited (Formerly Known As: Shradha Industries Limited)**, ("the Company") as of 31st March 2024 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

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

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Control over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

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

in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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.

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

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

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Paresh Jairam Tank & Co.**

Chartered Accountants

Firm Reg. No. 139681W

**CA. Paresh Jairam Tank**

Partner

Membership No.: 103605

UDIN: 24103605BKEBER6109

Nagpur, May 30th, 2024

<b>SHRADHA AI TECHNOLOGIES LIMITED</b> (Formerly Known As :SHARDHA INDUSTRIES LIMITED) CIN: L51227MH1990PLC054825 Balance Sheet As at 31st March, 2024			
(₹ In Lakhs)			
Particulars	Note No	As at 31st March, 2024	As at 31st March, 2023
<b>I. ASSETS</b>			
<b>A. Non-current assets</b>			
(a) Property, plant and equipment	3	40.53	3.16
(b) CWIP	4	1.65	-
(c) Financial assets			
(i) Investments	5	2,620.19	1,252.65
(ii) Other Financial assets	6	3.31	0.22
(d) Other non-current assets	7	12.62	7.50
<b>Total Non-current assets</b>		<b>2,678.31</b>	<b>1,263.52</b>
<b>B. Current assets</b>			
(a) Inventories	8	-	2.73
(b) Financial Assets			
(i) Trade receivables	9	269.31	49.20
(ii) Cash and cash equivalents	10	590.89	1,276.18
(iii) Bank balances other than (ii) above	11	423.72	10.65
(iv) Loans	12	1,890.92	1,125.09
(v) Other financial assets	13	-	578.21
(c) Current tax assets (net)	14	0.25	0.38
(d) Other current assets	15	2.81	1.95
<b>Total Current assets</b>		<b>3,177.90</b>	<b>3,044.40</b>
<b>TOTAL ASSETS</b>		<b>5,856.20</b>	<b>4,307.92</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>A. Equity</b>			
(a) Equity share capital	16	1,219.05	1,219.05
(b) Other equity	17	4,366.57	2,923.00
<b>Total Equity</b>		<b>5,585.62</b>	<b>4,142.04</b>
<b>B. Liabilities</b>			
<b>B.1 Non-current liabilities</b>			
(a) Provisions	18	3.54	0.24
(b) Deferred tax liabilities (Net)	19	124.21	140.14
(c) Lease Liabilities	20	29.03	-
<b>Total Non-current liabilities</b>		<b>156.79</b>	<b>140.39</b>
<b>B.2 Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables:			
(A) Total outstanding dues of micro enterprise and small enterprises	21	-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		13.90	-
(ii) Other current financial liabilities	22	33.19	11.20
(b) Other current liabilities	23	29.54	3.01
(c) Provisions	24	0.43	0.00
(d) Current tax liabilities (Net)	25	36.73	11.28
<b>Total Current liabilities</b>		<b>113.79</b>	<b>25.49</b>
<b>Total liabilities</b>		<b>270.58</b>	<b>165.88</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,856.20</b>	<b>4,307.92</b>
See accompanying notes forming part of financial statements		1 - 38	
As per our report of even date attached			
<b>For Paresh Jairam Tank &amp; Co.</b> Chartered Accountants Firm Reg No: 139681W		<b>For and on behalf of the Board of Directors</b>	
		<b>Mr. Sunil Raisoni</b> Managing Director DIN No. 00162965	<b>Mr. Pritam Raisoni</b> Chief Financial Officer
<b>CA Paresh Jairam Tank</b> Partner Membership No: 103605 UDIN:24103605BKEBER6109 Nagpur , 30th May 2024		<b>Mrs. Archana Bhole</b> Director DIN No. 06737829	<b>Ms. Harsha Bandhekar</b> Company Secretary Membership No. A54849 Nagpur , 30th May 2024



**SHRADHA AI TECHNOLOGIES LIMITED**  
**Formerly Known As: Shradha Industries Limited**  
**Statement of Profit and Loss for the Year ended on 31st March, 2024**  
**CIN: L51227MH1990PLC054825**

(₹ in Lakhs)

PARTICULARS		Note No	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
I	Revenue from operations	26	1,727.41	520.44
II	Other Income	27	149.97	120.30
III	<b>Total Income (I+II)</b>		<b>1,877.38</b>	<b>640.74</b>
IV	<b>Expenses</b>			
	Direct Expenses	28	122.37	-
	Purchases of Stock in Trade	29	553.46	496.78
	Changes in inventories of stock in trade	30	2.73	(2.73)
	Employee benefit expense	31	266.36	24.13
	Finance Cost	32	3.44	0.00
	Depreciation and amortisation expense	3	5.86	0.03
	Other Expenses	33	60.22	15.98
	<b>Total expenses (IV)</b>		<b>1,014.45</b>	<b>534.20</b>
V	<b>Profit/ (loss) before tax (III-IV)</b>		<b>862.93</b>	<b>106.54</b>
VI	<b>Tax expense</b>	34		
	a) Current Tax		219.51	23.34
	b) Earlier year tax		(4.82)	11.88
	c) Deferred Tax		9.09	0.31
	<b>Total Tax Expense</b>		<b>223.78</b>	<b>35.53</b>
VII	<b>Profit/ (loss) for the period (V - VI)</b>		<b>639.15</b>	<b>71.01</b>
VIII	<b>Other comprehensive income</b>			
	A (i) Items that will not be reclassified to profit or loss:			
	a) Revaluation of Listed Equity Instruments		902.10	355.63
	b) Actual gain on sale of equity instruments		133.42	
	Less: Gain already booked in earlier period		(98.31)	
	c) Actuarial gain / (loss) Remeasurement of Defined benefit obligations		(0.92)	0.00
	(ii) Income tax relating to items that will not be reclassified to profit or loss		4.51	
	(iii) Deferred tax relating to items that will not be reclassified to profit or loss		25.02	(49.80)
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	<b>Total Other Comprehensive Income for the period</b>		<b>956.81</b>	<b>305.82</b>
	<b>Total Comprehensive Income for the period (VII+VIII)</b>		<b>1,595.96</b>	<b>376.84</b>
	<b>Earnings per equity share at par value of Rs. 5 each (Amount in Rupees) :</b>			
	a) Basic		2.70	1.86
	b) Diluted		2.70	1.86

See accompanying notes forming part of financial statements 1 - 38

As per our report of even date attached

For and on behalf of the Board of Directors

For Paresh Jairam Tank &amp; Co.

Chartered Accountants

Firm Reg No: 139681W

Mr. Sunil Raisoni

Managing Director

DIN No. 00162965

Mr. Pritam Raisoni

Chief Financial Officer

CA Paresh Jairam Tank

Partner

Membership No: 103605

UDIN: 24103605BKEBER6109

Nagpur , 30th May 2024

Mrs. Archana Bhole

Director

DIN No. 06737829

Ms. Harsha Bandhekar

Company Secretary

Membership No. A54849

Nagpur , 30th May 2024

**SHRADHA AI TECHNOLOGIES LIMITED**  
**Formerly Known As: Shradha Industries Limited**  
**Statement of Cash Flow for the Year ended on 31st March, 2024**  
**CIN: L51227MH1990PLC054825**

(₹ in Lakhs)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
<b>A) Cash Flow from Operating Activities</b>		
Net Profit before Tax	862.93	106.54
Adjustments for :		
Depreciation	5.86	0.03
Profit on Buy Back of Shares	-	(5.44)
Interest Income	(126.22)	(81.00)
Dividend Income	(23.75)	(33.85)
<b>Operating profit before working capital changes</b>	<b>718.82</b>	<b>(13.73)</b>
<b>Adjustment for Working Capital Changes :</b>		
Changes in Trade Receivables	(220.11)	(49.20)
Changes in Inventories	2.73	(2.73)
Changes in Trade Payables	13.90	(0.61)
Changes in Other Current Liabilities	26.53	1.13
Changes in Other Current Financial Liabilities	18.63	7.78
Changes in Other Current Assets	(0.86)	13.10
Changes in Non Current Provisions	2.38	0.18
Changes in Current Provisions	0.43	0.00
Changes in Non-Current Assets	(8.21)	-
Changes in Non Current Liabilities	29.03	-
<b>Total working capital changes</b>	<b>(135.55)</b>	<b>(30.35)</b>
Direct Taxes Paid (Net)	(198.43)	(137.29)
Taxes of earlier years	4.82	(11.88)
<b>Net Cash From Operating Activities (A)</b>	<b>389.66</b>	<b>(193.25)</b>
<b>B) Cash Flow from Investing Activities</b>		
Net Proceeds from Inter Corporate Loans	(765.83)	324.71
Changes in Investments	(570.00)	(0.01)
Changes in Other Financial Assets	578.21	(578.21)
Interest Income	126.22	81.00
Dividend Income	23.75	33.85
Proceeds from Sale of Investments	139.67	5.48
Purchase of Fixed Asset	(43.24)	-
Proceeds from CWIP	(1.65)	-
<b>Net Cash used in Investing Activities (B)</b>	<b>(512.87)</b>	<b>(133.17)</b>
<b>C) Cash Flow from Financing Activities</b>		
Dividend Paid	(149.02)	(10.05)
Changes in Other Bank Balances	(413.06)	(10.65)
Net proceeds from issue of Rights Shares	-	1,620.88
<b>Net Cash used in Financing Activities (C)</b>	<b>(562.08)</b>	<b>1,600.17</b>
<b>Net Increase / ( Decrease) in Cash and Cash Equivalents (A + B + C)</b>	<b>(685.29)</b>	<b>1,273.75</b>
<b>Opening Balance of Cash &amp; Cash Equivalents</b>	<b>1,276.18</b>	<b>2.43</b>
<b>Closing Balance of Cash &amp; Cash Equivalents</b>	<b>590.89</b>	<b>1,276.18</b>

See accompanying notes forming part of financial statements 1 - 38

As per our report of even date attached

For and on behalf of the Board of Directors

**For Paresh Jairam Tank & Co.**  
Chartered Accountants  
Firm Reg No: 139681W

**Mr. Sunil Raisoni**  
Managing Director  
DIN No. 00162965

**Mr. Pritam Raisoni**  
Chief Financial Officer

**CA Paresh Jairam Tank**  
Partner  
Membership No: 103605  
UDIN: 24103605BKEBER6109  
Nagpur , 30th May 2024

**Mrs. Archana Bhole**  
Director  
DIN No. 06737829

**Ms. Harsha Bandhekar**  
Company Secretary  
Membership No. A54849

Nagpur , 30th May 2024

**SHRADHA AI TECHNOLOGIES LIMITED**  
Formerly Known As Shradha Industries Limited  
Statement of changes in equity for the Year ended on 31st March, 2024  
CIN: L51227MH1990PLC054825

(₹ in Lakhs)								
A. Equity share capital								
(1) 1st April, 2023 to 31st March, 2024								
Particulars	Opening balance as at 01st April, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01 April, 2022	Changes in equity share capital during the FY 2022-23	Closing balance as at 31st March, 2023			
Equity Shares-2,43,80,968 No. of shares at par Value of 5/- Each	1,219.05	-	1,219.05	-	1,219.05			
<b>Total</b>	<b>1,219.05</b>	<b>-</b>	<b>1,219.05</b>	<b>-</b>	<b>1,219.05</b>			
(₹ in Lakhs)								
(2) 1st April, 2022 to 31st March, 2023								
Particulars	Opening balance as at 01st April, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance as at 01 April, 2022	Changes in equity share capital during the FY 2022-23	Closing balance as at 31st March, 2023			
Equity Shares-1,21,90,484 No. of shares at Par Value of Rs.10/- each	124.39	-	124.39	1,094.66	1,219.05			
<b>Total</b>	<b>124.39</b>	<b>-</b>	<b>124.39</b>	<b>1,094.66</b>	<b>1,219.05</b>			
B. Other Equity								
(1) 1st April, 2023 to 31st March, 2024								
Particulars	RESERVES AND SURPLUS					Other Comprehensive Income		Total Other Equity
	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Total Reserves and Surplus	Revaluation Defined benefit obligations	Revaluation of Listed Equity Instruments	
Balance as at April 1, 2023	2.00	624.50	213.03	991.52	1,831.04	0.00	1,091.96	2,923.00
Changes in accounting policy	-	-	-	-	-	-	-	-
Prior period errors	-	-	-	-	-	-	-	-
Restated balance as at April 1, 2023	2.00	624.50	213.03	991.52	1,831.04	0.00	1,091.96	2,923.00
Profit for the period	-	-	-	639.15	639.15	-	-	639.15
Right shares issued during the year	-	-	-	-	-	-	-	-
Right Shares issue expenses written off	-	-	-	-	-	-	-	-
Dividend Distributed during the year	-	-	-	(152.38)	(152.38)	-	-	(152.38)
Other Comprehensive Income for the period	-	-	-	-	-	(0.69)	957.50	956.81
Transferred to Retained Earning	-	-	-	137.93	137.93	-	(137.93)	-
Total comprehensive income for the period	-	-	-	624.70	624.70	(0.69)	819.57	1,443.58
Balance as at 31st March, 2024	2.00	624.50	213.03	1,616.21	2,455.74	(0.69)	1,911.53	4,366.58
(1) 1st April, 2022 to 31st March, 2023								
Particulars	RESERVES AND SURPLUS					Other Comprehensive Income		Total Other Equity
	Capital Redemption Reserve	Securities Premium	General Reserve	Retained Earnings	Total Reserves and Surplus	Revaluation Defined benefit obligations	Revaluation of Listed Equity Instruments	
Balance as at April 1, 2022	2.00	98.27	213.03	932.94	1,246.25	-	786.13	2,032.38
Changes in accounting policy	-	-	-	-	-	-	-	-
Prior period errors	-	-	-	-	-	-	-	-
Restated balance as at April 1, 2022	2.00	98.27	213.03	932.94	1,246.25	-	786.13	2,032.38
Profit for the period	-	-	-	71.01	71.01	-	-	71.01
Right shares issued during the year	-	547.33	-	-	547.33	-	-	547.33
Right Shares issue expenses written off	-	(21.10)	-	-	(21.10)	-	-	(21.10)
Dividend Distributed during the year	-	-	-	(12.44)	(12.44)	-	-	(12.44)
Other Comprehensive Income for the period	-	-	-	-	-	0.00	305.82	305.82
Total comprehensive income for the period	-	526.22	-	58.57	584.80	0.00	305.82	890.62
Balance as at 31st March, 2023	2.00	624.50	213.03	991.52	1,831.04	0.00	1,091.96	2,923.00
<p><b>Capital Redemption Reserve:</b> It was created as per the Companies Act, 2013 where the redemption of shares is out of profits, and an amount equal to nominal value of Preference shares redeemed is to be transferred to a reserve called 'capital redemption reserve'.</p> <p><b>Securities Premium:</b> Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance With the provision of the Companies Act, 2013.</p> <p><b>Revaluation of listed equity instruments:</b> It is created to record the changes in Fair Value of listed equity instruments in accordance with the applicable IND-AS.</p> <p><b>General Reserve:</b> The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be re-classified subsequently to statement of profit and loss.</p> <p><b>Increase in Authorised Share Capital:</b> During the financial year 2022-23 the company has increased its authorised equity share capital amounting to Rs.9,20,00,000/- by incurring legal expenses of Rs.8,74,000/- on 05.11.2022.</p> <p><b>Rights Issue:</b> The Board of Directors in their meeting held on November 18, 2022, approved to issue equity shares by way of a rights issue to the existing shareholders of the Company for an amount of Rs. 16.41 Crores in the ratio of 44 Rights Equity Shares for every 5 fully paid-up Equity Shares held on the record date of January 25, 2023 in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, the Companies Act, 2013 and other applicable laws ("Issue"). The objective of the Issue, subject to finalization by the Board of Directors, is to, Inter-alia, meet the Long Term Working Capital Requirements for Trading of Computers, general corporate purposes and to meet the share issue expenses.</p> <p><b>Declaration and Distribution of Final Dividend(FY 22-23) :</b> During the year company declared a final dividend @ 2.5% i.e. 0.25 paise/- ( Twenty five paise Only) per Equity Share of Face value of Rs. 10/- each approved by the board on 15th May 2023 for the financial year 2022-2023 as on the Record Date 16th June 2023</p> <p><b>Declaration and Distribution of Interim Dividend(FY 23-24):</b>The Board of Directors of the Company have considered and declared the Payment of Interim dividend in the board meeting held on 2nd November 2023 of Rest. 0.50/- Paise per fully paid-up Equity Share of Rs. 5/- each for the Quarter (Q-2) &amp; Six months ended 30<sup>th</sup> September 2023 , as on the Record Date 17<sup>th</sup> November, 2023.</p> <p><b>Declaration and Distribution of Interim Dividend(FY 22-23):</b> The board of directors approved the interim dividend in the board meeting held on 19th January, 2023 for Rs.1/- per equity share held totalling to Rs.12,43,927/- in accordance with the Sec.123 of the Companies Act, 2013</p>								
See accompanying notes forming part of financial statements 1 - 38								
As per our report of even date attached								
For Paresh Jai Ram Tank & Co.			For and on behalf of the Board of Directors					
Chartered Accountants			Mr. Sunil Raison					
Firm Reg No: 139681W			Managing Director					
			DIN No. 00162965					
			Mr. Pritam Raison					
			Chief Financial Officer					
CA Paresh Jai Ram Tank			Mrs. Archana Bhole					
Partner			Director					
Membership No: 103605			DIN No. 06737829					
UDIN: 24103605BKBER6109			Ms. Harsha Bandhekar					
Nagpur, 30th May 2024			Company Secretary					
			Membership No. A54849					
			Nagpur, 30th May 2024					

**SHRADHA AI TECHNOLOGIES LIMITED**  
**(Formerly Know As : SHRADHA INDUSTRIES LIMITED)**  
**CIN: L51227MH1990PLC054825**  
**Notes forming part of the financial statements**  
**For the year ended 31st March, 2024**

**NOTE 1 : Corporate Information**

Shradha AI Technologies Limited (Formerly Known As: Shradha Industries Limited) is a Listed Public Limited Company incorporated in the state of Maharashtra. It was incorporated on 01st January, 1990. The registered office of the company is situated at 1st Floor, 345, Shradha House, Kingsway Road, Nagpur Maharashtra 440001 India. Presently, the Company is engaged in the business of Trading of items like Computers, Computer's Hardware & Accessories all allied kind of product and Software Development Service and is listed on the Metropolitan Stock Exchange of India Limited ("MSE") and Bombay Stock Exchange (BSE).

**NOTE 2 : Statement on Significant Accounting Policies**

The significant Material accounting policies applied by the company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

**1. Statement of compliance**

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

**2. Basis of Preparations of Financial Statements:**

These financial statements have been prepared in Indian Rupee (₹) which is the functional currency of the Company.

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS (Refer Note 2.8) and inventories at Cost or NRV whichever is lower(Refer Note 2.9). Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in orderly transaction between market participants at the measurement date.

**3. Use of Estimates:**

In preparation of the financial statements, the Company makes judgments, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Significant judgments and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

**4. Revenue Recognition:****a. Income from Sale of goods:**

Revenue from the sale of goods is recognized when all the following conditions have been satisfied:

- (a) the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

- (c) the amount of revenue can be measured reliably;
- (d) it is probable that the economic benefits associated with the transaction will flow to the entity; and
- (e) The costs incurred or to be incurred in respect of the transaction can be measured reliably.

**b. Income From Sale of Software Development:**

Revenue from Sale of Software Development is recognized using percentage-of-completion method. The Group uses judgment to estimate the future cost-to-completion of the contracts which is used to determine degree of completion of the performance obligation Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes, levies or duties collected on behalf of the government/ other statutory bodies.

Advances received from the customers are reported as customer's deposits unless the above conditions for revenue recognition are met.

**c. Interest income:**

Income is recognized on a time proportion basis by reference to the principal outstanding and the effective interest rate applicable.

**d. Dividend:**

Dividend from investment is recognized as revenue when right to receive the payment is established.

**5. Property, Plant and Equipment (PPE):**

Land is carried at historical cost. Historical cost includes expenditure which are directly attributable to the acquisition of the land like, rehabilitation expenses, resettlement cost. After recognition, an item of all other Property, plant and equipment are carried at its cost less any accumulated depreciation and any accumulated impairment losses under Cost Model. The cost of an item of property, plant and equipment comprises:

- (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- (c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an company incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item depreciated separately. However, significant part(s) of an item of PPE having same useful life and depreciation method are grouped together in determining the depreciation charge.

Costs of the day-to-day servicing described as for the 'repairs and maintenance' are recognized in the statement of profit and loss in the period in which the same are incurred.

Subsequent cost of replacing parts significant in relation to the total cost of an item of property, plant and equipment are recognized in the carrying amount of the item, if it is probable that future economic benefits associated with the item will flow to the company; and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is de-recognized in accordance with the de-recognition policy mentioned below.

When major inspection is performed, its cost is recognized in the carrying amount of the item of property, plant and equipment as a replacement if it is probable that future economic benefits associated with the item will flow to the company; and the cost of the item can be measured reliably. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is de-recognized.

An item of Property, plant or equipment is de-recognized upon disposal or when no future economic benefits are expected from the continued use of assets. Any gain or loss arising on such de-recognition of an item of property plant and equipment is recognized in profit and Loss.

Depreciation on property, plant and equipment, except freehold land, is provided as per cost model on straight line basis over the estimated useful lives of the asset as follows:

Building	:	60 years
Plant and Machinery	:	5 years
Computers	:	3 Years
Electrical Installation	:	10 Years
Office equipment	:	5 years
Furniture and Fixtures	:	10 years

Based on technical evaluation, the management believes that the useful lives given above best represents the period over which the management expects to use the asset. Hence the useful lives of the assets are same as prescribed under Part C of schedule II of Companies Act, 2013.

The estimated useful life of the assets is reviewed at the end of each financial year. The residual value of Property, plant and equipment considered as 5% of the original cost of the asset. Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the month of addition / disposal.

#### *Transition to Ind AS*

The company elected to continue with the carrying value as per cost model for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP.

## **6. Depreciation**

Depreciation on Tangible Assets is provided on SLM basis in the manner and at the rates prescribed in Schedule II to the companies Act, 2013.

The carrying cost of assets is reviewed at each balance sheet date to determine if there is any indication of impairment thereof based on external/internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds their recoverable amounts, which represent the greater of the net selling price of assets and their 'value in use'. The estimated future cash flows are discounted to their present value at appropriate rate arrived at after considering the prevailing interest rate and weighted average cost of capital.

## **7. Impairment (other than Financial Instruments)**

At each balance sheet date, the Company reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any).

Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognized in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount. Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. The remaining reversal of an impairment loss is recognized in the statement of profit and loss immediately.

## 8. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

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

### Effective interest method

The effective interest method is a method of calculating the amortized cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

#### (a) Financial assets:

##### Cash and Bank Balances :

- (i) Cash and cash equivalents - which includes cash in hand, deposits held at call with banks and other short term deposits which have maturities of less than one year from the date of such deposits.
- (ii) Other bank balances - which includes balances and deposits with banks that are restricted for withdrawal and usage.

##### Financial assets at amortized cost:

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### Financial assets at Fair Value:

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

Financial asset not measured at amortized cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss.

##### Impairment of financial assets

Loss allowance for expected credit losses is recognized for financial assets measured at amortized cost and fair value through other comprehensive income. The Company recognizes life time expected credit losses for all trade receivables that do not constitute a financing transaction.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognized. Loss allowance equal to the lifetime expected credit losses is recognized if the credit risk on the financial instruments has significantly increased since initial recognition.

##### De-recognition of financial assets

The Company de-recognizes a financial asset only when the contractual rights to the cash flows from the asset

expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

**(b) Financial Liabilities and Equity Instruments :**

**Classification as debt or equity**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

**Financial Liabilities**

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost, using the effective interest rate method where the time value of money is significant.

Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortized cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognized over the term of the borrowings in the statement of profit and loss.

**De-recognition of financial liabilities**

The Company de-recognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

**Reclassification of financial assets**

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition of financial assets and financial liabilities, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations.

Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.



The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P & L at the reclassification date.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

### 9. Inventory:

Inventories are stated at the lower of cost and net realizable value. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. The company uses FIFO cost formula for determination of cost of inventories. Net realizable value is the price at which the inventories can be realized in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution.

### 10. Leases:( As a lessee )

The company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, and company's incremental borrowing rate.

Generally, the company uses its incremental borrowing rate as the discount rate. Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re measured in this way, a cones ponding adjustment is made to the carrying amount often right-of-use asset, or is recorded in profit or loss if the carrying amount often right to-use asset has been reduced to zero.

#### **Short-term leases and leases of low-value assets**

The company has elected not to recognize right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months. The company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term

### **11. Income Taxes;**

#### **A. Current Tax**

The income tax expense or credit, if there is any for the period is the tax payable on the current period's taxable income based on the applicable income tax rate as per Income tax Act, 1961. Current Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

#### **B. Deferred Tax**

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences. In contrast, deferred tax assets are only recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Current and deferred tax are recognized as an expense or income in the statement of profit and loss, except when they relate to items credited or debited either in other comprehensive income or directly in equity, in which case the tax is also recognized in other comprehensive income or directly in equity.

### **12. Provisions:**

A provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

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

### 13. Employee Benefits

Short term employee benefits are recognized on an accrual basis.

#### Leave encashment

The leave obligations cover the company's liability for casual leaves and earned leaves. These liabilities are treated as current liabilities since the company has the policy to compulsorily encash the unavailed leaves at the end of quarter in which they are credited to the employee's leave balance.

### 14. Post Employee Benefits:

- i. **Defined Benefit Plans:** Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to statement of profit and loss. As required under Ind AS compliant Schedule III, the Company transfers it immediately to retained earnings.

### 15. Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per shares is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per shares and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

### 16. Segment information:

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Group's chief operating decision maker is the Chief Executive Officer and Managing Director.

The Group has identified business segments: 1) IT Hardware & 2) Software Development Service

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated since associated revenue of the segment or manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

The assets and liabilities of the Group are used interchangeably amongst segments. Allocation of such assets and liabilities is not practicable and any forced allocation would not result in any meaningful segregation. Hence assets and liabilities have not been identified to any of the reportable segments.

### 17. Abbreviations Used:

a.	FVTOCI	Fair value through Other Comprehensive Income
b.	FVTPL	Fair value through Profit & Loss
c.	GAAP	Generally accepted accounting principal
d.	Ind AS	Indian Accounting Standards
e.	OCI	Other Comprehensive Income
f.	P&L	Profit and Loss
g.	PPE	Property, Plant and Equipment
h.	EIR	Effective Interest Rate

## SHRADHA AI TECHNOLOGIES LIMITED

(Formerly Known As: Shradha Industries Limited)

Notes forming part of Financial Statement for the Year ended on 31st March, 2024

CIN: L51227MH1990PLC054825

(₹ in Lakhs)

**Note 3 Property Plant & Equipment**  
For the year ended 31st March 2024

Sr. No.	Classification	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount		
		As at the beginning of the period	Additions	Deletions / disposals	As at the end of the period	As at the beginning of the period	Charge for the period	Deletions / disposals	As at the end of the period	As at the beginning of the period
1.	Buildings	1.65	-	-	1.65	0.39	0.03	0.42	1.23	1.25
2.	Plant and Equipment	26.08	-	-	26.08	25.67	-	25.67	0.41	0.41
3.	Office Equipments	17.84	0.09	-	17.93	17.07	0.00	17.07	0.86	0.77
4.	Electric Installation	10.91	-	-	10.91	10.37	-	10.37	0.55	0.55
5.	Computers	6.44	10.08	-	16.52	6.25	1.69	7.95	8.57	0.18
6	Right of use Asset	-	33.07	-	33.07	-	4.14	4.14	28.93	0
	<b>Total</b>	<b>62.92</b>	<b>43.24</b>	<b>-</b>	<b>33.07</b>	<b>59.76</b>	<b>5.86</b>	<b>65.62</b>	<b>40.53</b>	<b>3.16</b>

**For the year ended 31st March 2023**

Sr. No.	Classification	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount		
		As at the beginning of the period	Additions	Deletions / disposals	As at the end of the period	As at the beginning of the period	Charge for the period	Deletions / disposals	As at the end of the period	As at the beginning of the period
1.	Buildings	1.65	-	-	1.65	0.37	0.03	0.39	1.25	1.28
2.	Furniture and Fixtures	26.08	-	-	26.08	25.67	-	25.67	0.41	0.41
3.	Office Equipments	17.84	-	-	17.84	17.07	-	17.07	0.77	0.77
4.	Electric Installation	10.91	-	-	10.91	10.37	-	10.37	0.55	0.55
5.	Computers	6.44	-	-	6.44	6.25	-	6.25	0.18	0.18
	<b>Total</b>	<b>62.92</b>	<b>-</b>	<b>-</b>	<b>62.92</b>	<b>59.73</b>	<b>0.03</b>	<b>59.76</b>	<b>3.16</b>	<b>3.18</b>

**SHRADHA AI TECHNOLOGIES LIMITED**  
**(Formerly Know As: SHRADHA INDUSTRIES LIMITED)**

Notes forming part of Financial Statement for the Year ended on 31st March, 2024

**Note 4:**

**CWIP Ageing Schedule**  
**(1) As at 31st March 2024:**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.65	-	-	-	1.65
<b>Total</b>	<b>1.65</b>				<b>1.65</b>

## SHRADHA AI TECHNOLOGIES LIMITED

(FORMELY KNOWN AS :SHRADHA INDUSTRIES LIMITED)

Notes forming part of Financial Statement for the Year ended on 31st March, 2024

**Note 5 : Investments****(₹ in Lakhs)**

Sr. No.	Name of the Body Corporate	As at 31st March 2024		As at 31st March 2023	
		No. of Shares / Units	Amount in Rs. in Hundreds	No. of Shares / Units	Amount in Rs. in Hundreds
(a)	<b>Investment in Equity Instruments (Quoted)</b>				
	<b>Measured at fair value through other comprehensive income</b>				
	Shradha Infraprojects Limited	31,00,000	2,036.70	33,85,200	1,238.98
	Artefact Projects Limited	-		500	0.18
	Super Tannery Limited	100	0.01	100	0.01
	<b>Sub Total</b>	<b>31,00,100</b>	<b>2,036.71</b>	<b>33,85,800</b>	<b>1,239.17</b>
(b)	<b>Investment in Equity Instruments (Unquoted)</b>				
	<b>Measured at Amortised Cost</b>				
	SGR Ventures Private Limited	90,000	0.89	90,000.00	0.89
	Share of Wardhaman Urban Co-Op Bank	100	0.01	100.00	0.01
	Ketki Research Institute of Medical Science Limited	1,000	0.10	1,000.00	0.10
	Vast Integrated Services Limited	1,24,760	12.48	1,24,760.00	12.48
	National Stock Exchange of India	20,000	570.00	-	-
	<b>Sub Total</b>	<b>2,35,860.00</b>	<b>583.48</b>	<b>2,15,860.00</b>	<b>13.48</b>
	<b>Total</b>	<b>33,35,960.00</b>	<b>2,620.19</b>	<b>36,01,660.00</b>	<b>1,252.65</b>
	Aggregate amount of cost of acquisition of quoted investments		0.01		6.26
	Aggregate Market Value of quoted investments		2,036.71		1,239.17
	Aggregate amount of unquoted investments		583.48		13.48
	Aggregate amount of impairment in value of investments				-

**SHRADHA AI TECHNOLOGIES LIMITED**  
**(FORMERLY KNOWN AS: SHRADHA INDUSTRIES LIMITED)**  
Notes forming part of Financial Statement for the Year ended on 31st March, 2024

(₹ in Lakhs)

Particulars	As at 31st March 2024	As at 31st March 2023
<b>Note 6: Other Financial Assets</b>		
a) Security Deposits	0.22	0.22
b) ROU Deposits	4.00	
Less: Difference of PV and FV (ROU)	(1.03)	
Add: Interest income on Security Deposit	0.13	
Net : Deposit	3.09	
<b>Total</b>	<b>3.31</b>	<b>0.22</b>
<b>Note 7: Other Non-current Assets</b>		
Capital Advance	7.50	7.50
Advance for Expense	5.12	
<b>Total</b>	<b>12.62</b>	<b>7.50</b>
<b>Note 8: Inventories</b>		
a) Stock in Trade [valued at lower of Cost (Calculated at FIFO basis) or Net realisable value]	-	2.73
<b>Total</b>	<b>-</b>	<b>2.73</b>
<b>Note 9: Trade Receivables</b>		
Trade receivables – Considered Good Unsecured	269.31	49.20
<b>Total</b>	<b>269.31</b>	<b>49.20</b>

**Note 9(A): Trade Receivables Ageing Schedule as on 31.03.2024**

Particulars	Outstanding for following periods from due date of Transaction					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	269.31	-	-	-	-	269.31
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

**Note 9(B): Trade Receivables Ageing Schedule as on 31.03.2023**

Particulars	Outstanding for following periods from due date of Transaction					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	49.20	-	-	-	-	49.20
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

<b>Note 10: Cash and cash equivalents</b>		
a) Balances with banks in current account	86.48	824.59
b) Bank deposits having original maturity of upto 3 months	503.10	450.28
c) Cash on hand	1.32	1.31
<b>Total</b>	<b>590.89</b>	<b>1,276.18</b>

<b>Note 11: Bank Balances other than Cash and cash Equivalents</b>		
a) Earmarked balance with bank for Unpaid Dividend (The company had declared dividend @ Re.1/- per equity share amounting to Rs.12,43,927/- in the Board Meeting held on 19th January, 2023 out of which Rs.118386/- is still unpaid on account of rejection of NEFT) (The company had declared dividend @ Rs.0.5 - per equity share amounting to Rs.1,21,90,484/- in the Board Meeting held on 2nd Nov, 2023 out of which Rs.1,72,939/- is still unpaid on account of rejection of NEFT) (The company had declared dividend @ Rs.0.25 - per equity share amounting to Rs.30,47,621/- in the Board Meeting held on 15th May, 2023 out of which Rs.44,758/- is still unpaid on account of rejection of NEFT)	3.36	2.38
b) Bank deposits having original maturity of more than 3 months	420.36	8.27
<b>Total</b>	<b>423.72</b>	<b>10.65</b>

<b>Note 12: Loans</b>		
<b>Loans receivables – Considered Good - Unsecured</b>		
Loan to Others	1,890.92	1,125.09
<b>Total</b>	<b>1,890.92</b>	<b>1,125.09</b>

<b>Note 13: Other Current Financial Assets</b>		
Advance for purchase of shares		570.00
Deposit with Stock Exchange against Rights Issue of Shares	-	8.21
<b>Total</b>	<b>-</b>	<b>578.21</b>
<b>Note 14: Current tax assets (net)</b>		
<b>1) Income Tax Refund Receivable of earlier years</b>	0.25	0.38
<b>2) Income Tax Refund Receivable of current period</b>		
A) Advance tax and tax deducted at source of Current period	-	12.06
B) Income tax liability for current period	-	23.13
Net income tax liability for the current period	-	23.13
C) Net income tax refund receivable of current period (A-B)		-
<b>Total</b>	<b>0.25</b>	<b>0.38</b>
<b>Note 15: Other Current Asset</b>		
<b>Advances other than capital advances:</b>		
Advances against Expenses	2.71	0.71
Prepaid Expenses	0.09	0.13
Other Advances	-	1.11
<b>Total</b>	<b>2.81</b>	<b>1.95</b>



**SHRADHA AI TECHNOLOGIES LIMITED**  
(Formerly Known As :Shradha Industries Limited)  
Notes forming part of Financial Statement for the Year ended on 31st March, 2024

**Equity share capital****Note 16 (A):**

(₹ in Lakhs)

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number	Amount	Number	Amount
<b>Authorised Share Capital</b>				
Equity Shares at Par Value of Rs.5/- each	2,46,80,000	1,234.00		
Equity Shares at Par Value of Rs.10/- each			1,23,40,000	1,234.00
Preference Shares at Par Value of Rs.10/- each	1,60,000	16.00	1,60,000	16.00
<b>Issued Share Capital / Subscribed Share Capital / Paid-Up Share Capital</b>				
Equity Shares at Par Value of Rs.5 /- each	2,43,80,968	1,219.05		
Equity Shares at Par Value of Rs.10 /- each			1,21,90,484	1,219.05

**Note 16 (B):**

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the period/ year	1,21,90,484	1,219.05	12,43,927	124.39
Add: Increase in number of shares due to share split(FV RS. 5)( Refer Note 16(C) )	1,21,90,484			
Add: Shares Issued during the Year [Refer Note 16(D)]	-	-	1,09,46,557	1,094.66
Less: Shares bought back during the Year	-	-	-	-
Shares outstanding at the end of the Year	2,43,80,968	1,219.05	1,21,90,484	1,219.05

**Rights, restrictions and preferences attached to equity shares**

Each shareholder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by directors is subject to the approval of shareholders in the ensuing annual general meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Note 16 (C): Sub Division of Equity Shares**

1. The subdivision of existing equity share of face value of Rs.10/- (ten) each fully paid up into two equity shares of face value of Rs.5/- (Five) each fully paid up has been approved by the members of the Company held on 09th September 2023 and the Board of Directors have approved (Fixed) Tuesday, 26th September 2023. as the Record date for determining the eligibility of the shareholders for sub-division/ split of equity shares.

**Note 16 (D): Increase in Authorised Share Capital**

Increase in Authorised Share Capital: During the current financial year 2022-23 the company has increased its authorised equity share capital by amount of Rs Rs.920 Lakhs by incurring legal expenses of Rs.8.74 Lakhs

**Note 16 (E): Rights issue of Shares**

The Board of Directors of the company in their meeting held on November 18, 2022, approved to issue equity shares by way of a rights issue to the existing shareholders of the Company for an amount of Rs. 1,642 Lakhs in the ratio of 44 Rights Equity Shares for every 5 fully paid-up Equity Shares held on the record date of January 25, 2023 in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, the Companies Act, 2013 and other applicable laws ("Issue"). The objective of the Issue, subject to finalization by the Board of Directors, is to, inter-alia, meet the Long Term Working Capital Requirements for Trading of Computers, general corporate purposes and to meet the share issue expenses.

Note 16 (F): Name of shareholders whose holding is more than 5%

Name of Shareholder	As at 31st March, 2024		As at 31st March, 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Sunil Raisoni	68,66,856	28.16	34,33,428	28.16
Femina Infrastructures Private Limited	20,05,156	8.22	10,02,578	8.22
SGR Infratech Limited	19,28,640	7.91	9,64,320	7.91
Riaan Diagnostic Private Limited	19,20,800	7.88	9,60,400	7.88
Mrs. Shobha Raisoni	16,62,080	6.82	8,31,040	6.82
<b>Grand Total</b>	<b>1,43,83,532</b>	<b>58.99</b>	<b>71,91,766</b>	<b>58.99</b>

Note 16 (G): Shares Held by Promoters & Promoters Group

Promoter Name	Shares held by promoters as at 31.03.2024		% Change during the year	
	No. of Shares	% of total shares	% of total shares	% Change during the year
<b>Promoter Shareholding- Body Corporates</b>				
Femina Infrastructures Private Limited	20,05,156	8.22%	8.22%	0.00%
Riaan Diagnostics Pvt Ltd	19,20,800	7.88%	7.88%	0.00%
SGR Infratech Private Limited (Formerly SGR Infratech Limited)	19,28,640	7.91%	7.91%	0.00%
Riaan Ventures Pvt Ltd	10,60,360	4.35%	4.35%	0.00%
SGR Holdings Pvt Ltd	9,89,822	4.06%	4.06%	0.00%
Zenith Comtrade Pvt Ltd	11,56,926	4.75%	4.75%	0.00%
Namastay Hospitality Private Limited	294	0.00%	0.00%	0.00%
<b>Promoter Shareholding- Individuals</b>				
Shobha Raisoni	16,62,080	6.82%	6.82%	0.00%
Sunil Raisoni	68,66,856	28.16%	28.16%	0.00%
Mahendra Raisoni	12,000	0.05%	0.05%	0.00%
Rajul Raisoni	1,00,040	0.41%	0.41%	0.00%
Pritam Raisoni	1,00,040	0.41%	0.41%	0.00%
Shreyas Sunil Raisoni	4,00,030	1.64%	1.64%	0.00%
<b>Total Promoter Shareholding</b>	<b>1,82,03,044</b>	<b>74.66%</b>	<b>74.66%</b>	<b>0.00%</b>

**Equity share capital****Note 16 (H): Shares Held by Promoters & Promoters Group**

Shares held by promoters as at 31.03.2023		% Change during the year		
Promoter Name	No. of Shares	% of total shares	% Change during the year	
<b>Promoter Shareholding- Body Corporates</b>				
Femina Infrastructures Private Limited	10,02,578	8.22%	-4.70%	
Riaan Diagnostics Pvt Ltd (Formerly known as Gold Circle Pvt Ltd)	9,60,400	7.88%	0.00%	
SGR Infrotech Limited	9,64,320	7.91%	0.00%	
Riaan Ventures Pvt Ltd	5,30,180	4.35%	0.00%	
SGR Holdings Pvt Ltd	4,94,911	4.06%	0.74%	
Zenith Commotrade Pvt Ltd	5,78,463	4.75%	0.11%	
Namastay Hospitality Private Limited	147	0.00%	100.00%	
<b>Promoter Shareholding- Individuals</b>				
Shobha Raisonni	8,31,040	6.82%	-0.04%	
Sunil Raisonni	34,33,428	28.16%	-5.52%	
Shreyas Sunil Raisonni	2,00,015	1.64%	100%	
Mahendra Raisonni	6,000	0.05%	-89.75%	
Rajul Raisonni	50,020	0.41%	0.41%	
Pritam Raisonni	50,020	0.41%	0.41%	
<b>Total Promoter Shareholding</b>	<b>91,01,522</b>	<b>74.66%</b>		

<b>SHRADHA AI TECHNOLOGIES LIMITED</b> (FORMERLY KNOW AS :SHARDHA INDUSTRIES LIMITED) Notes forming part of Financial Statement for the Year ended on 31st March 2024		
(₹ in Lakhs)		
Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Note 17 : Other Equity</b>		
<b>Reserves and Surplus</b>		
<b>a) Capital Redemption Reserve</b>		
Balance at the beginning of the year	2.00	2.00
Add: Changes during the year	-	-
Balance at the end of the year	<b>2.00</b>	<b>2.00</b>
<b>b) Securities Premium</b>		
Balance at the beginning of the year	624.50	98.27
Add: Premium on Rights issue of shares	-	547.33
Add: Rights issue expenses written off	-	(21.10)
Balance at the end of the year	<b>624.50</b>	<b>624.50</b>
<b>c) General Reserve</b>		
Balance at the beginning of the year	213.03	213.03
Add: Changes during the year	-	-
Balance at the end of the year	<b>213.03</b>	<b>213.03</b>
<b>d) Retained Earnings</b>		
Balance at the beginning of the period	991.52	932.94
Add: Profit for the period	639.15	71.01
Less: Dividend Distributed during the Year	(152.38)	(12.44)
Add: Tranfered From OCI	128.92	-
Balance at the end of the period	<b>1,607.20</b>	<b>991.52</b>
<b>Total</b>	<b>2,446.72</b>	<b>1,831.04</b>
<b>Other Comprehensive Income</b>		
<b>Revaluation of Listed Equity Instruments</b>		
Balance at the beginning of the period	1,091.96	786.13
Add: Addition durig the period through OCI	957.50	305.82
Less: Transferred to retained Earning	128.92	-
<b>Balance at the end of the period</b>	<b>1,920.54</b>	<b>1,091.96</b>
<b>Revaluation of Defined benefit obligation</b>		
Balance at the beginning of the period	0.00	-
Add: Addition durig the period through OCI	(0.69)	0.00
<b>Balance at the end of the period</b>	<b>(0.69)</b>	<b>0.00</b>
<b>Total</b>	<b>1,919.85</b>	<b>1,091.96</b>
<b>Total</b>	<b>4,366.57</b>	<b>2,923.00</b>
<b>Note 18: Provisions</b>		
Provision for Gratuity	3.41	0.24
Other Provision	0.13	-
<b>Total</b>	<b>3.54</b>	<b>0.24</b>
<b>Note 19: Deferred tax Assets / liabilities (Net)</b>		
A) on the timing difference created due to difference in written down value as per Income tax and as per books of accounts	9.16	(0.69)
B) on the timing difference created due to Revaluation of Listed Equity Instruments	116.25	141.05
C) on the timing difference created due to carry forward of amalgomation expenses	-	(0.15)
D) on the timing difference created due to carry forward of unpaid gratuity liability	(0.97)	(0.06)
E) on the timing difference created due to actuarial gains / losses on remeasurement of defined benefit obligation	(0.23)	0.00
<b>Total Deferred tax (asset) / liability</b>	<b>124.21</b>	<b>140.14</b>
<b>Deferred tax (Assets) / liabilities (Net)</b>	<b>124.21</b>	<b>140.14</b>

<b>SHRADHA AI TECHNOLOGIES LIMITED</b>		
<b>(FORMERLY KNOW AS :SHARDHA INDUSTRIES LIMITED)</b>		
<b>Notes forming part of Financial Statement for the Year ended on 31st March 2024</b>		
<b>(₹ in Lakhs)</b>		
<b>Particulars</b>	<b>As at 31st March, 2024</b>	<b>As at 31st March, 2023</b>
<b>Note 20: Other non current Liability</b>		
Lease Liability	32.03	
ADD: Difference of PV and FV	1.30	
Less: Rent Payment	-4.30	
	<b>29.03</b>	
<b>Note 21 : Trade Payables</b>		
Total Outstanding dues of Micro Enterprises & Small Enterprises		-
Total Outstanding dues of Creditors Other than Micro Enterprises & Small Enterprises	13.90	-
<b>Disclosures under Section 22 of MSMED Act, 2006 under the Chapter on Delayed Payments to Micro, Small and Medium Enterprises:</b>		
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year;		-
(b) the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;		-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006);		-
(d) The amount of interest accrued and remaining unpaid at the end of accounting year; and		-
(e) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.		-
The terms 'appointed day', 'buyer', 'enterprise', 'micro enterprise', 'small enterprise' and 'supplier', shall have the same meaning as assigned to them under clauses (b), (d), (e), (h), (m) and (n) respectively of section 2 of the Micro, Small and Medium Enterprises Development Act, 2006. Such statutory disclosures should be made by an entity in its Notes to Accounts.		
<b>Total</b>	<b>13.90</b>	<b>-</b>

**SHRADHA AI TECHNOLOGIES LIMITED**  
(FORMERLY KNOWN AS :SHARDHA INDUSTRIES LIMITED)

Notes forming part of Financial Statement for the Year ended on 31st March 2024

**Note 21(A) Trade Payables Ageing Schedule as on 31.03.2024**

Particulars	Outstanding for following periods from due date of transaction					Total
	Less than 1 Year	1-2 years	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	-	-		-	-
(ii) Others	13.90	-	-		-	13.90
(iii) Disputed dues- MSME	-	-	-		-	-
(iv) Disputed Trade Payables—considered good	-	-	-		-	-

**Note 22: Other Current Financial Liabilities**

Professional Fees payable	0.49	5.04
Audit Fees payable (Including Internal Audit Fees)	4.10	0.32
Unpaid Dividend	3.36	2.38
(The company had declared dividend @ Re.1/- per equity share amounting to Rs.12,43,927/- in the Board Meeting held on 19th January, 2023 out of which Rs.1,18,386/- is still unpaid on account of rejection of NEFT)		
(The company had declared dividend @ Re.0.25/- per equity share amounting to Rs.30,47,621/- in the Board Meeting held on 15th May 2023 out of which Rs.44,758/- is still unpaid on account of rejection of NEFT)		
(The company had declared dividend @ Re0.5/- per equity share amounting to Rs.1,21,90,484/- in the Board Meeting held on 02nd November, 2023 out of which Rs.172939/- is still unpaid on account of rejection of NEFT)		
Expenses Payable	25.24	3.45
<b>Total</b>	<b>33.19</b>	<b>11.20</b>

**SHRADHA AI TECHNOLOGIES LIMITED****(FORMERLY KNOWN AS :SHARDHA INDUSTRIES LIMITED)****Notes forming part of Financial Statement for the Year ended on 31st March 2024****(₹ in Lakhs)**

<b><u>Particulars</u></b>	<b>As at 31st March, 2024</b>	<b>As at 31st March, 2023</b>
<b><u>Note 23: Other Current Liabilities</u></b>		
Statutory dues payable	29.54	3.01
Other Advances	0.05	
<b>Total</b>	<b>29.54</b>	<b>3.01</b>
<b><u>Note 24: Provisions</u></b>		
Provision for Gratuity	0.43	0.00
<b>Total</b>	<b>0.43</b>	<b>0.00</b>
<b><u>Note 25: Current Tax Liabilities (net)</u></b>		
Income tax liability for current period	224.01	23.34
Less Advance tax and tax deducted at source	187.28	12.06
<b>Total</b>	<b>36.73</b>	<b>11.28</b>

<b>SHRADHA AI TECHNOLOGIES LIMITED</b> (Formerly Shradha Industries Limited) Notes forming part of Financial Statement for the Year ended on 31st March, 2024 (₹ in Lakhs)		
Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
<b>Note 26: Revenue From Operations</b>		
Sales of Goods	584.29	520.44
Sales of Service	1,143.13	
<b>Total</b>	<b>1,727.41</b>	<b>520.44</b>
<b>Note 26(a): Sale of Goods</b>		
Sale of IT Hardware	584.29	520.44
<b>Total</b>	<b>584.29</b>	<b>520.44</b>
<b>Note 26(b): Sale of Service</b>		
Sale of Software Development Service	1,143.13	-
<b>Total</b>	<b>1,143.13</b>	<b>-</b>
<b>Note 27: Other Income</b>		
Interest on Intercompany Loans	98.30	80.67
Dividend Income	23.75	33.85
Interest on Fixed Deposits	27.77	0.34
Profit on Sale of Investments	-	5.44
Balances Written back (net)	0.00	0.00
Interest Recd on Income Tax Refund	0.03	-
Interest Income Ind AS 116	0.13	-
<b>Total</b>	<b>149.97</b>	<b>120.30</b>
<b>Note 28: Direct Expenses</b>		
Web space Expense	122.37	
<b>Total</b>	<b>122.37</b>	
<b>Note 29: Purchase of Stock in Trade</b>		
Purchases of Stock in Trade	553.46	496.78
<b>Total</b>	<b>553.46</b>	<b>496.78</b>
<b>Note 30: Changes in Inventories of Stock in Trade</b>		
Opening Stock in Trade	2.73	-
Closing Stock in Trade	-	2.73
<b>Change in inventory</b>	<b>2.73</b>	<b>(2.73)</b>
<b>Note 31: Employee benefit expense</b>		
<b>Salaries and Wages</b>		
Salaries, Wages and Allowances	244.32	5.72
Directors Remuneration	18.00	18.00
Gratuity Expenses	2.68	0.18
Leave Encashment	0.78	0.23
Medical Leave Encashment	0.05	
PF Admin Exp.	0.54	
<b>Total</b>	<b>266.36</b>	<b>24.13</b>
<b>Note 32: Finance Cost</b>		
Interest Paid on GST	0.00	-
Interest on T.D.S.	0.02	0.00
Interest Expense	2.13	-
Interest Expense Ind AS 116	1.30	
<b>Total</b>	<b>3.44</b>	<b>0.00</b>



<b>Note 33: Other Expenses</b>		
Administrative Expenses	17.14	2.49
Advertisement Expenses	1.24	2.60
Audit Fees	0.60	0.60
Internal Audit Fees	1.50	1.50
Bank Charges & Commission	0.57	0.07
Corporate Social Responsibility	0.50	4.50
Demat Account Expenses	0.19	0.01
Domain Charges	0.04	-
Electricity Charges	5.71	-
Legal & Professional Charges	16.45	3.00
Rent, rates & taxes	10.38	-
Membership & Subscription	0.12	0.13
GST Expenses	0.22	0.56
Director Sitting Fees	1.10	-
Miscellaneous Expenses	4.39	0.50
Rates & Taxes	0.09	0.03
<b>Total</b>	<b>60.22</b>	<b>15.98</b>
<b>*CSR Expenditure</b>		
Amount Required to be Spent:	-	4.25
Amount of Expenditure incurred	0.50	4.50
Shortfall at the End of the Year	-	
Shortfall of Previous Year	0	-
Reasons for shortfall	NA	NA
Nature to CSR activity	Donation To Approved Entity	Donation To Approved Entity
Details of Related Party Transaction	NA	NA

**Shradha AI Technologies Limited**  
**( Formerly: Shradha Industries Limited)**  
**Notes forming part of Financial Statement for the Year ended on 31st March, 2024**

(₹ in Lakhs)

Particulars	For the Year ended 31st March, 2024	For the Year ended 31st March, 2023
<b>Note 34: Tax expense</b>		
a) Current Tax	219.51	23.34
b) Earlier year tax	(4.82)	11.88
c) Deferred Tax	9.09	0.31
<b>Total</b>	<b>223.78</b>	<b>35.53</b>

Reconciliation of Tax Expenses and Accounting Profit multiplied by India's Domestic Tax rate	For the Year Ended	
	31st March, 2023	31st March, 2023
Income Tax Rate	25.17%	25.17%
Profit / (Loss) before Tax	862.93	106.54
Tax Expense at domestic Income Tax rates	217.18	26.81
Less: Tax on Deductible Expenses	(1.66)	(3.50)
Less: Effect of Lower Tax Rates on Special Income	-	-
Less: Tax effect on Exempt Income	-	(1.37)
Add: Tax effect on Non-Allowable Expenses	3.99	1.39
Adjustment for Deferred Tax	9.09	0.31
Adjustment for Earlier Years Tax Expense	(4.82)	11.88
<b>Income Tax Expenses reported in Profit &amp; Loss</b>	<b>223.78</b>	<b>35.53</b>
<b>Effective Income Tax Rate</b>	<b>25.93%</b>	<b>33.35%</b>

**SHRADHA AI TECHNOLOGIES LIMITED**  
**(Formerly Known As : SHRADHA INDUSTRIES LIMITED)**  
**Notes forming part of Financial Statement for the Year ended on 31st March, 2023**

**Note 35: Employee benefits**  
**Gratuity Plan**

(₹ in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Table I: Assumptions</b>		
Discount Rate	7.25 % per annum	7.50 % per annum
Salary Growth Rate	5.00 % per annum	5.00 % per annum
Mortality Rate	IALM 2012-14	IALM 2012-14
Withdrawal Rate (Per Annum)	5.00% p.a.	5.00% p.a.
<b>Table II: Change in Present Value of Obligations</b>		
Present Value of the obligation at the beginning of the period	0.25	0.07
Interest Cost	0.02	0.00
Current Service Cost	2.66	0.18
Past Service Cost		-
Benefits Paid (if Any)		-
Actuarial (Gain) / Loss	0.92	(0.00)
Present Value of the obligation at the end of the period	3.84	0.25
<b>Table III: Amount to be recognised in Balance Sheet</b>		
Present Value of the obligation at the end of the period	3.84	0.25
Fair Value of plan assets at end of period	-	-
Net liability / (asset) recognised in Balance sheet and related analysis	3.84	0.25
Funded Status - Surplus / (Deficit)	(3.84)	(0.25)
<b>Table IV: Amount to be recognised in Statement of profit and loss</b>		
Interest Cost	0.02	0.00
Current Service Cost	2.66	0.18
Past Service Cost		-
Expected returns on plan assets		-
<b>Table V: Other comprehensive (income) / expenses (Remeasurement)</b>		
Cumulative unrecognized actuarial (gain) / loss opening B/F	(0.00)	-
Actuarial (gain) / loss - obligation	0.92	(0.00)
Actuarial (gain) / loss - plan assets		-
Total Actuarial (gain) / loss	0.92	(0.00)
Cumulative total actuarial (gain) / loss C/F	0.92	(0.00)

**SHRADHA AI TECHNOLOGIES LIMITED****(Formerly Known As : SHRADHA INDUSTRIES LIMITED)****Notes forming part of Financial Statement for the Year ended on 31st March, 2024****Note 36 : Financial risk management****(₹ in Lakhs)**

The Company's activities expose it to the following risks:

Market risk  
Credit risk  
Liquidity risk**A Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk and other price risk, such as equity price risk. Financial instruments affected by market risk include FVTPL investments. Market risk is attributable to all market risk sensitive financial instruments. The finance department undertakes management of cash resources ensuring compliance with market risk limits.

**(i) Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As the company does not have any Debts/Borrowings. Hence the Company is not exposed to interest rate risk associated with Term Loan and working Capital Facility.

**(ii) Equity price risk**

The Company's listed and non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

**B Credit risk**

Credit Risk is the risk that counter party will not meet its obligations under a financial instruments or customer contract leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and unbilled revenue) and from its financing activities including deposits with banks and financial institutions, investments, foreign exchange transactions and other financial instruments.

**i Trade receivables**

Credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

The impairment analysis is performed at each reporting date on an individual basis for clients. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security.

**Credit risk exposure**

The Company's credit period generally ranges from 30 – 60 days are as below.

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables	269.31	49.20
Inventory of Stock in Trade	-	2.73
<b>Total</b>	<b>269.31</b>	<b>51.93</b>

The Company evaluates the concentration of risk with respect to trade receivables as low as they are spread across multiple geographies and multiple industries.

**C Liquidity risk**

Liquidity is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the cash and cash equivalents is sufficient to meet its current requirements. Accordingly no liquidity risk is perceived.

The break-up of cash and cash equivalents, deposits and investments is as below.

Particulars	₹ in '00'	
	As at 31 March 2024	As at 31 March 2023
Cash and cash equivalent	590.89	1,276.18
Bank balance other cash and cash equivalent	423.72	10.65
<b>Total</b>	<b>1,014.61</b>	<b>1,286.84</b>

**SHRADHA AI TECHNOLOGIES LIMITED**  
**(Formerly Known As : SHRADHA INDUSTRIES LIMITED)**  
**Notes forming part of Financial Statement for the Year ended on 31st March, 2024**

**Note 37: Financial Instruments**

The following methods and assumptions were used to estimate the fair value:

- (a) Fair value of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments.
- b) Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, if require, allowances are taken to account for the expected losses of these receivables.

**A Financial instruments by category**

(₹ in Lakhs)

The carrying value and fair value of financial instruments by categories as at 31 March 2024 were as follows:

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Assets:</b>					
Investments	583.48	-	2,036.71	2,620.19	2,620.19
Loans	1,890.92	-	-	1,890.92	1,890.92
Trade Receivables	269.31	-	-	269.31	269.31
Others financial assets	-	-	-	-	-
Cash and cash equivalents	590.89	-	-	590.89	590.89
Bank Balances other than cash and cash Equivalents	423.72	-	-	423.72	423.72
<b>Liabilities:</b>					
Trade payables	13.90	-	-	13.90	13.90
Other financial liabilities	33.19	-	-	33.19	33.19

The carrying value and fair value of financial instruments by categories as at 31 March 2023 were as follows:

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Assets:</b>					
Investments	13.48	-	1,239.17	1,252.65	1,252.65
Loans	1,125.09	-	-	1,125.09	1,125.09
Trade Receivables	49.20	-	-	49.20	49.20
Others financial assets	578.43	-	-	578.43	578.43
Cash and cash equivalents	1,276.18	-	-	1,276.18	1,276.18
Bank Balances other than cash and cash Equivalents	10.65	-	-	10.65	10.65
<b>Liabilities:</b>					
Trade payables	-	-	-	-	-
Other financial liabilities	11.20	-	-	11.20	11.20

**Note 38: Additional information to the financial statements**

<b>1) Auditors Remuneration :</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>
For Statutory Audit	Rs. 0.60	Rs. 0.60
*excluding GST		

**2) Contingent Liabilities :**

There are no contingent liabilities as on the Balance Sheet date.

As at March 31,2024	As at March 31, 2023
Nil	Nil

**3) Capital Commitments :**

There is no capital commitment as on the Balance Sheet date.

As at March 31,2024	As at March 31,2023
Nil	Nil

**4) Related Party disclosure as required by IND AS 24:****A. Name of related parties and description of relationship:**

Sr. No.	Name of related party	Nature of relationship
1	Mr. Sunil Raisoni	Key Management Personnel – Managing Director
2	Mrs. Archana Bhole	Director
3	Mr. Pritam Raisoni	Key Management Personnel – CFO
4	Ms. Harsha Bandhekar	Key Management Personnel – Company Secretary
5	Shradha Infraprojects Ltd.	Group Company
6	SGR Infratech Private Limited	Group Promoter
7	Riaan Venture Private Limited	Group Promoter

**B. The details of the related party transactions entered into by the Company for the period ended March 31, 2024 are as follows:**

Nature of Transaction	a) Wholly Owned Subsidiary	b) Associate	c) By virtue of control	d) Key Management Personnel	e) Other Related Parties	Total
<b>(A) Expenditure</b>						
a. Mrs. Shobha Raisoni Managerial Remuneration	-	-	-	- -12.00	-	- -12.00
b. Mr. Sunil Raisoni Managerial Remuneration	-	-	-	18.00 -6.00	-	18.00 -6.00
c. Ms. Harsha Bandhekar Salary/ Remuneration	-	-	-	3.73 -2.9		3.73 -2.9
d. Mrs. Archana Bhole Sitting Fees	-				0.2	0.2
e. SGR Infra Tech Pvt. Ltd. Rent					8.37 -	8.37 -

Nature of Transaction	a) Wholly Owned Subsidiary	b) Associate	c) By virtue of control	d) Key Management Personnel	e) Other Related Parties	Total
f Riaan Ventures Pvt. Ltd.						
Purchase					117.40	117.40
					-310.79	-310.79
<b>B) Other Transactions with related parties</b>						
<b>a. Mr. Sunil Raisoni</b>						
Sale of Shares	-	-	-	0	-	0
				-0.03		-0.03
<b>b. Shradha Infraproject Limited</b>						
Dividend	-	-	-	7.75		7.75
				-33.85		-33.85

C. The details of amounts due to or due from related parties as at March 31, 2024 are as follows:

Nature of Transaction	a) Wholly Owned Subsidiary	b) Associate	c) By virtue of control	d) Key Management Personnel	e) Other Related Parties	Total
<b>A) Ms. Harsha Bandhekar</b>						
Salary / Remuneration	-	-	-	0.41	-	
				0.00		

5) Earnings per share is calculated as follows:

(\*Net Profit Attributable To Shareholder is in Lacs)

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Net Profit attributable to shareholders	639.15	71.01
Equity Shares outstanding as at the end of the year (in nos.)	2,43,80,968	2,43,80,968
Weighted average number of Equity Shares used as denominator for calculating Basic Earnings Per Share	2,43,80,968	38,07,439
Add: Diluted number of Shares	-	-
Number of Equity Shares used as denominator for calculating Diluted Earnings Per Share (in Rs.)	2,43,80,968	38,07,439
Nominal Value per Equity Share (in Rs.)	5	5
<b>Earnings Per Share</b>		
Earnings Per Share (Basic) (in Rs.) ( A / C )	2.70	1.86
Earnings Per Share (Diluted) (in Rs.) ( A / E )	2.70	1.86

## 6) Segment information:

Summarized Segment information for the year ended 31st March 2024, is as follows

Sr. No.	Particulars	Year Ended March 31 <sup>st</sup> , 2024
1	<b>Segment Revenue</b>	
	a) IT Hardware	584.29
	b) Software development Service	1,143.13
	<b>Gross Revenue from sale of products and services</b>	<b>1,727.41</b>
2	<b>Segment Results</b>	
	a) IT Hardware	30.83
	b) Software development Service	934.29
	Less:	
	i) Finance cost	
	ii) other unallocable (income) net of unallocable expenditure	-102.18
	iii) Exceptional Item	
<b>Profit before Tax</b>	<b>862.93</b>	
3	<b>Segment Assets</b>	
	a) IT Hardware	30.27
	b) Software development Service	282.66
	Unallocated Corporate Assets	5,543.27
	<b>Total Assets</b>	<b>5,856.20</b>
4	<b>Segment Liability</b>	
	a) IT Hardware	12.45
	b) Software development Service	30.48
	Unallocated Corporate Liabilities	227.64
	<b>Total Liabilities</b>	<b>270.58</b>

Segment reporting is given for the year ended 31st March 2024 considering the fact that the Company has reportable segment for the aforesaid period and not given for the year ended 31st March 2023 as the same was not applicable for that period.

## 7) Details of dues to micro and small enterprises as per MSMED Act, 2006 to the extent of information available with the Company

Particulars	2023-24 In Rs	2022-23 In Rs
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	NIL	NIL
The amount of interest paid by the buyer in terms of section 16, of the micro small and medium enterprise development act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	NIL	NIL
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 micro small and medium enterprise development act, 2006.	NIL	NIL



The amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
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 as a deductible expenditure under section 23 of the micro small and medium enterprise development act, 2006	NIL	NIL
<b>Total</b>	<b>NIL</b>	<b>NIL</b>

8) **C.I.F. value of Imports, Expenditures and Earnings in Foreign Currencies :**

Particulars	As on 31 <sup>st</sup> March, 2024	As on 31 <sup>st</sup> March, 2023
a) CIF Value of Imports	NIL	NIL
b) Expenditure in Foreign Currencies	NIL	NIL
c) Earnings in Foreign Currencies	NIL	NIL

9) **The Financial Ratios are follows**

(Reason for variance is given for variance more than 25%)

Sr. No	Ratio	Current Period	Previous Period	% Variance	Reason for Variance
(a)	<b>Current Ratio</b> (Current Assets / Current Liabilities)	27.93	119.44	-76.62	Increase in short term liability
(b)	<b>Debt-Equity Ratio</b> (Total Debt / Total Equity)	-	-	0.00	-
(c)	<b>Debt Service Coverage Ratio</b> (EBITDA & Non Cash Items / Total Installment)	-	-	0.00	-
(d)	<b>Return on Equity Ratio</b> (Net Profit After Tax / Average Shareholders' Equity)	0.13	0.02	10.89	-
(e)	<b>Inventory Turnover Ratio</b> (Net Sales / Average inventory)	1,267.30	381.82	231.91	No Inventory For the Current year
(f)	<b>Trade Receivables Turnover Ratio</b> (Net sales / Average accounts receivable)	10.85	21.16	-48.73	-
(g)	<b>Trade payables turnover ratio</b> (Net Credit Purchases/ Average accounts payable)	44.13	1,682.25	(0.98)	-
(h)	<b>Net capital Turnover Ratio</b> (Net Sales / Working Capital)	0.56	0.17	227.02	Increase in Sales
(i)	<b>Net Profit Ratio</b> (Profit After Tax / Net Sales)	0.37	0.14	23.36	-
(j)	<b>Return on Capital employed</b> (EBIT / (Tangible Net Worth + Total Debt + Deferred Tax Liability)	0.15	0.02	12.63	-
(k)	<b>Return on investment</b> (Gain on Investment / Total Investment)	23.82	0.01	2381.07	Sale of investment

- 10)** The Board of Directors have considered and recommended, a final dividend of Rs.0.75 Paise [Seventy- five Paise Only] per equity share of face value of Rs.05/- (Rupees Five) each i.e @15% on the equity shares in the capital of the Company for the financial year 2023-2024 ended 31st March 2024, subject to the approval of the Shareholders (Members) of the Company at the ensuing Thirty- Fifth (35th) Annual General Meeting of the Company.
- 11) Other Statutory Information:**
- i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
  - ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
  - iii) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
  - iv) The Company have not advanced or loaned or invested funds to any other person or entity, 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.
  - v) The Company have not received any fund from any person or entity, 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.
  - vi) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- 12)** Previous year's figures have been regrouped / re-arranged wherever necessary. Some of the balances are subject to confirmation.
- 13)** In the opinion of the Management, the balances shown under Sundry Debtors, Loans and Advances have approximately the same realizable value as shown in Accounts.  
Party balances are subject to confirmation.

**Signatures to Notes 1 to 35  
As per our report of even date attached**

**For Paresh Jairam Tank & Co.**

Chartered Accountants  
Firm Reg. No: 139681W

**CA Paresh Jairam Tank**

Partner  
Membership No: 103605  
UDIN: 24103605BKEBER6109

Nagpur, 30th May, 2024

**For and on behalf of the Board of Directors**

**Mr. Sunil Raison**  
Managing Director  
DIN No. 00162965

**Mrs. Archana Bhole**  
Director  
DIN No. 06737829

**Mr.Pritam Raison**  
Chief Financial Officer

**Ms. Harsha Bandhekar**  
Company Secretary  
Membership No. A54849  
Nagpur, 30th May, 2024

## NOTICE

**NOTICE IS HEREBY GIVEN THAT** the Thirty-Fifth (35th) Annual General Meeting of **Shradha AI Technologies Limited (Formerly known as Shradha Industries Limited)** (CIN : L51227MH1990PLC054825) will be held on **Friday, the 19th day of July, 2024 at 11.30 A.M.** through video conferencing/other audio visual means to transact the following businesses:

### ORDINARY BUSINESS :

- To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2024 together with 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 Statements of the Company for the financial year ended 31st March, 2024 together with the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

- To confirm the interim dividend declared / paid and to declare a final dividend @ 15.00 % i.e. Rs. 0.75 paisa/- (Seventy five paisa Only) per Equity Share for the financial year 2023-2024 and in this regard, pass the following resolution as an Ordinary Resolution.:**

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

**“RESOLVED THAT** an interim dividend @ 10% i.e. Rs. 0.50/- (Fifty Paisa Only) per Equity Share each in the Equity Share capital of the Company declared by the Board of Directors of the Company at its meeting held on 02nd November 2023., be and is hereby approved and confirmed.”

**“FURTHER RESOLVED THAT** a final dividend @ 15.00% i.e. Rs. 0.75 paisa/- (Seventy five paisa Only) per Equity Share in the Equity Share capital of the Company for the financial year 2023-2024, as recommended by the Board of Directors be and is hereby declared and approved.”

- To appoint a Director in place of Mrs. Archana Bhole (DIN: 06737829), who retires by rotation and being eligible, offers herself for re-appointment and in this regard, pass the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (as amended), Mrs. Archana Bhole (DIN: 06737829), who retires by rotation at this meeting and being eligible offered herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

**By Order of the Board of Directors**

Sd/-

**CS Harsha Bandhekar**

Company Secretary and Compliance Officer

(ICSI Membership No. ACS - 54849)

Place : Nagpur

Date : 30th May 2024

**NOTES**

1. The Ministry of Corporate Affairs, Government of India ("MCA") has vide its circular No. 9/2023 dated 25 September, 2023, read with circulars dated 8 April, 2020, 13 April, 2020, 5 May, 2020, 13 January, 2021, 8 December, 2021 and 28 December, 2022 (collectively referred to as "MCA Circulars") allowing, inter-alia, conducting of AGMs through Video Conferencing/Other Audio Visual Means ("VC/ OAVM") facility on or before September 30, 2024, in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular dated 5 May, 2020. The Securities and Exchange Board of India ("SEBI") also vide its Circular No. SEBI/HO/CFD/CFD PoD-2/P/CIR/2023/167 dated October 7, 2023 ("SEBI Circular") has provided certain relaxations from compliance with certain provisions of the Listing Regulations. In compliance with these Circulars, provisions of the Act and Listing Regulations, the 35th AGM of the Company is being conducted through VC/OAVM facility, without the physical presence of Members at a common venue. The deemed venue for the 35th AGM shall be the Registered Office of the Company.  
As the AGM shall be conducted through VC/OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
2. The MCA Circulars read with the Securities and Exchange Board of India ("SEBI") Circular no. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022 ("SEBI Circular"), has dispensed with the requirement of sending the physical copies of the AGM Notice and Annual Report to the members. Accordingly, the Notice of the AGM and the Annual Report (2023-2024) of the Company are being sent only through electronic mode to those members whose e-mail addresses are registered with the Company / Depositories. Members may note that the copies of the Notice of the AGM and the Annual Report (2023-2024) are also available on the website of the Company at <https://shradhaaitechnologies.com/>, websites of the Stock Exchanges, Metropolitan Stock Exchange of India at [www.msei.in](http://www.msei.in) and BSE at <https://www.bseindia.com/>. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. [www.evotingindia.com](http://www.evotingindia.com). for the AGM. Members who wish to obtain physical copies of the AGM Notice and the Annual Report (2023-2024), may write to us at [shradhaindustrieslimited1@gmail.com](mailto:shradhaindustrieslimited1@gmail.com)
3. Members are encouraged to attend and vote at this AGM through VC. The attendance of the Members attending this AGM through VC will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
4. Relevant documents referred to in the Notice including Explanatory Statement thereof, are open for inspection by the Members at the Company's Registered Office on all working days, during the office hours except Saturdays, Sundays and all public holidays up to the date of the Meeting.
5. Brief profile of the Director/s to be re-appointed including nature of his/her expertise, names of companies in which he/ she holds directorships and committee memberships, shareholding in the Company and relationships with other directors, etc., are provided in Annexure A of this Notice.
6. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode.
7. The Members can join the EGM/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 EGM/AGM through VC/OAVM will be made available to at least 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 EGM/AGM without restriction on account of first come first served basis.

8. Members holding shares in electronic form are requested to register / update their postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participants, with whom they are maintaining their Demat accounts.
9. The Register of Members and Share Transfer books of the Company will remain closed from Saturday, the 06th day of July, 2024 to Friday, the 19th day of July, 2024 (both days inclusive) and Dividend, if declared, will be payable before 19th August 2024 to those members whose names are registered as such in the Register of Members of the Company as on Friday, 5th day of July 2024 and to the Beneficiary holders as per the beneficiary list as on Friday, 5th day of July 2024 provided by the NSDL and CDSL.
10. The Board of Directors has recommended for consideration of the Members a final dividend @ 15.00% i.e. Rs.0.75/- Paise (Rupees Seventy five Paise Only) per Equity Share for the financial year 2023-2024. The Company has fixed Friday, 5th day of July 2024 as the 'Record Date' for determining entitlement of members to final dividend for the financial year ended March 31, 2024, if approved at the AGM. The final dividend, once approved by the members in the ensuing AGM will be paid before 19th August 2024, subject to deduction of tax at source, electronically through various online transfer modes to those members who have updated their bank account details. For members who have not updated their bank account details, dividend warrants / demand drafts / cheques will be sent out to their registered addresses once the postal facility is available. To avoid delay in receiving the dividend, members are requested to update their KYC with their depositories (where shares are held in dematerialized mode) and with the Company's Registrar and Transfer Agent ("RTA") (where shares are held in physical mode) to receive the dividend directly into their bank account on the payout date.
11. In the general interest of the Members, it is requested of them to update their bank mandate/NECS/Direct credit details/name/address/power of attorney and update their Core Banking Solutions enabled account number:
  - For shares held in physical form: with the Registrar and Transfer Agent of the Company.
  - For shares held in dematerialized form: with the depository participant with whom they maintain their demat account.

Kindly note that as per Regulation 12 read with Schedule I of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for distribution of dividends or other cash benefits to the investors, electronic mode of payments like National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), Real Time Gross Settlement (RTGS) and National Electronic Funds Transfer (NEFT) shall be used. In cases where the details like MICR no., IFSC no. etc. required for effecting electronic payments are not available, physical payment instrument like dividend warrants, will be used.

Accordingly, we recommend you to avail the facility of direct electronic credit of your dividend and other cash benefits, as and when declared, through electronic mode and in all cases keep your bank account details updated in your demat account/physical folio.

12. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of shareholders with effect from 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with Skyline Financial Services Private Limited (in case of shares held in physical mode) and DPs (in case of shares held in demat mode). A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by e-mail to shradhaindustrieslimited1@gmail.com latest before 05th July 2024 by 05:00PMIST. Shareholders are requested to note that in case their PAN is not

registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents, i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an e-mail to subhashdhingreja@skylinerta.com / pravin.cm@skylinerta.com on or before 05th July 2024 by 05:00 PM IST. Shareholders are requested to address all correspondence, including dividend related matters, to the RTA, Skyline Financial Services Private Limited, Address A/505, Dattani Plaza, Andheri Kurla Road, Safeed Pool, Mumbai- 400072.

13. Pursuant to provisions of Section 124 and 125 of the Companies Act, 2013, dividends which remain unpaid or unclaimed for a period of 7 years, will be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Shareholders who have not encashed the dividend warrant(s) so far for the financial year ended 31st March 2024 that once the unclaimed dividend is transferred, on the expiry of seven years, to the Investor Education and Protection Fund, as stated here-in, no claim with the Company shall lie in respect thereof Pursuant to Rule 5(8) of Investor Education and Protection Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, Shareholders desiring any information relating to the accounts are requested to write to the Company at least 7 (seven) days in advance of the AGM to enable the Company to provide the information required at the meeting.
14. Depository Participants/ Shareholders/ Investors of the Company are advised to send all documents/ correspondences such as requests for Dematerialization of Shares, Transfer of Shares, Change of Address, Registration of e-mail Id, Change of Bank Mandate/ NECS and other Shares related documents to the Company's RTA.
15. Non Resident Indian members are requested to immediately inform their depository participant (in case of shares held in dematerialized form) or the Registrar and Transfer Agent of the Company (in case of shares held in physical form), as the case may be, about:
  - (i). the change in the residential status on return to India for permanent settlement;
  - (ii). the particulars of the NRE account with a bank in India, if not furnished earlier.
16. SEBI has mandated that securities of listed companies can be transferred only in dematerialized form. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise shares held by them in physical form, for ease in portfolio management
17. SEBI, vide its circular dated 3 November, 2021 (subsequently amended by circulars dated 14 December, 2021, 16 March, 2023 and 17 November, 2023) mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any dividend payment in respect of such folios, only through electronic mode with effect from 1 April, 2024, only upon furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature.
18. Members are requested to submit PAN, or intimate all changes pertaining to their bank details, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, specimen signature (as applicable) etc., to their Depository Participant ("DP") in case of holding in dematerialised form or to Company's Registrar and Share Transfer Agents through Form ISR-1, Form ISR-2 and Form ISR-3 (as applicable) available at Investor Services - <https://shradhaaitechnologies.com/investor-services> in case of holdings in physical form.
19. SEBI vide Circular no. SEBI/HO/OIAE/OIAE\_IAD-1/P/ CIR/2023/131 dated 31 July, 2023 (updated as on 4 August, 2023) has specified that a shareholder shall first take up his/her/their grievance with the listed entity by lodging a complaint directly with the concerned listed entity and if the grievance is not redressed satisfactorily, the shareholder may, in accordance with the SCORES guidelines, escalate the same through the SCORES Portal in

accordance with the process laid out therein. Only after exhausting all available options for resolution of the grievance, if the shareholder is not satisfied with the outcome, he/she/ they can initiate dispute resolution through the Online Dispute Resolution ("ODR") Portal. Shareholders are requested to take note of the same.

## 20. GREEN INITIATIVE

As a responsible corporate citizen, your Company welcomes and supports the 'Green Initiative' taken by the Ministry of Corporate Affairs, Government of India. We strongly urge you to support this 'Green Initiative' by opting for electronic mode of communication and making the world a cleaner, greener and healthier place to live. For receiving all communication (including Annual Report) from the Company electronically, the members are requested to register / update their email addresses with the Registrar and Share Transfer Agent or relevant Depository Participant (DP), as the case may be.

21. The Company has appointed CS Riddhita Agrawal, Company Secretary in Practice, Mumbai (Membership No. FCS 10054, Certificate of Practice No. 12917 & Peer Review Certificate No. 1838/2022) as the Scrutinizer for conducting the process of remote e-voting in a fair and transparent manner at the AGM.

## 22. E-Voting:

In accordance with Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company has fixed the Friday, 12th July 2024, as the "cut-off date" to determine the eligibility to vote by electronic means or in the general meeting. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. Friday, 12th July 2024, shall be entitled to avail the facility of remote e-voting or voting in the general meeting.

Instructions for attending the e-AGM and e-voting are as follows:

### 1. Process and manner for members opting for voting through Electronic means:

- (i). Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars 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/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
- (ii). Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Friday, 12th July 2024, shall be entitled to avail the facility of remote e-voting as well as e-voting during AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.
- (iii). A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Friday, 12th July 2024, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting during AGM by following the procedure mentioned in this part.
- (iv). The remote e-voting will commence on Tuesday, 16th July, 2024 at 9.00 a.m. and will end on Thursday, 18th July, 2024 at 5.00 p.m. During this period, the members of the Company holding shares either in physical form or in demat form as on the Cutoff date i.e. Friday, 12th July 2024 may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.
- (v). Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.

- (vi). The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. Friday, 12th July 2024.

**2. Process for those shareholders whose email ids are not registered :**

- (i). For members holding shares in Physical mode- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy), AADHAR (self-attested scanned copy) by email to shradhaindustrieslimited1@gmail.com.
- (ii). For members holding shares in Demat mode - Please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy), AADHAR (self- attested scanned copy) to shradhaindustrieslimited1@gmail.com.

**3. The instructions for shareholders for remote e-voting are as under:**

- (i). The voting period begins on Tuesday, 16th July, 2024 at 9.00 a.m. and will end on Thursday, 18th July, 2024 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday, 12th July 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii). Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- (iii). Pursuant to SEBI Circular No. SEBI/HO/CFD/ CMD/CIR/P/2020/242 dated 9th December, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e -voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
- (iv). In terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 9th December, 2020 on e-Voting facility provided by Listed Companies, 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.



Pursuant to above said SEBI Circular dated 9th December, 2020, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode, is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing 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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>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: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> 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 company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> 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 hold 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 company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**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. CDSL and NSDL

Login type	Helpdesk details
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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding shares in physical form:

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (vi). After entering these details appropriately, click on "SUBMIT" tab.
- (vii). Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii). For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix). Click on the EVSN of the Company- Shradha AI Technologies Limited on which you choose to vote.
- (x). On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi). Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii). After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii). Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv). You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv). If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi). Shareholders can also cast their vote using CDSL's mobile app m-Voting. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; shradhaindustrieslimited1@gmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

- a. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- b. The link for VC/OAVM to attend the meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
- c. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not cast 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 available in the AGM.
- d. If any Votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members participating in the meeting.
- e. 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.

**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 or view the live webcast of AGM through the CDSL e-Voting system. Members may access the same at <https://www.evotingindia.com> under shareholders'/members login by using the remote e-voting credentials. The link for VC/ OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Members are encouraged to join the Meeting through Laptops / IPads for better experience.
3. 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.

**OTHER INSTRUCTIONS**

- I. Shareholders can update their mobile numbers and e-mail IDs (which may be used for sending future communication(s)) by writing to shradhaindustrieslimited1@gmail.com
- II. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. 12th July 2024 may obtain the login ID and password by sending an email to shradhaindustrieslimited1@gmail.com or pravin.cm@skylinerta.com or helpdesk.evoting@cdslindia.com by mentioning their Folio No./DP ID and Client ID No.

- III. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the Meeting.
- IV. Members who are registered in advance will only be allowed to express their views or ask questions at AGM. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.
- (a) Since AGM is being conducted through VC / OAVM, Members having any query or seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write /send email to the Company at least seven days in advance at [shradhaindustrieslimited1@gmail.com](mailto:shradhaindustrieslimited1@gmail.com). The same will be replied by the Company suitably.
- (b) Members who will participate in the AGM through VC/OAVM can also pose question/feedback through question box option. Such questions by the Members shall be taken up either during the meeting or shall be replied by the Company suitably within 7 days from AGM date.
- V. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [shradhaindustrieslimited1@gmail.com](mailto:shradhaindustrieslimited1@gmail.com) before Friday, 12th July 2024 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- VI. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at [www.shradhaindustries.com](http://www.shradhaindustries.com) and on the website of CDSL at [www.evoting.india.com](http://www.evoting.india.com) immediately after the declaration of results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the Metropolitan Stock Exchange of India Limited where the shares of the Company are listed.

**ANNEXURE TO ITEM NO. 3:****PROFILE OF DIRECTOR**

In pursuance of the Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards 2 (SS-2) issued by the Institute of Company Secretaries of India (ICSI), the details of Directors seeking appointment/re-appointment at the ensuing Annual General Meeting are as follows:

<b>Name of the Director</b>	<b>Mrs. Archana Pankaj Bhole</b>
DIN (Director Identification Number)	06737829
Date of Birth	01/01/1978
Date of Appointment as Director	15/04/2023
Nationality	Indian
Qualifications	Master's degree in Business Administration
Brief Profile	Mrs. Archana Pankaj Bhole aged about 46 years holding Master's degree in Business Administration from G H Rasoni School of Business Management. She provides her expertise for growth and expansion of the Company. Her Comprehensive expertise and practical experience helps in planning and building corporate practices, overall portfolio strategies, etc.
Expertise in Specific Functional Area	Expertise in Administration and Management of the Companies Affairs
Number of Shares held in the Company	20010 Equity Shares comprising (0.08%) Equity Shares
List of the Directorship held in Listed other companies	NIL
Chairman / Member in the Committees of Board of other Companies in which he/ she is the Director	NIL
Disclosure of relationship between directors (inter-se)	Not related to any Director, Manager or Key Managerial Personnel of the Company

## FOR KIND ATTENTION OF SHAREHOLDERS

Dear Member,

### Subject: Deduction of tax at source on dividend

We hope that you are safe and healthy. Please take care of yourselves.!

We wish to inform you that the Board of Directors of your Company has, in its meeting held on 30th May, 2024, recommended a final dividend of Rs. 0.75/- Paise [ Rupees Seventy Five Paise Only] per equity share having a nominal value of Rs. 5/- each for the financial year ended 31st March, 2024.

The dividend, if approved at the ensuing Thirty Fifth Annual General Meeting of the Company, will be paid to the Members on the basis of the details of beneficial ownership furnished by the Depositories, as at the close of Friday, 05th July, 2024 and in respect of shares held in physical form to those Members whose names will appear in the Register of Members of the Company as on the close of Friday, 05th July, 2024.

As you may be aware that in terms of the provisions of the Income Tax Act, 1961 ("the Act") as amended by the Finance Act, 2020, dividend paid or distributed by a Company on or after 1st April, 2020 is taxable in the hands of the Members. The Company is, therefore, required to deduct tax at source at the time of payment of dividend to the Members.

**For resident members :** Tax will be deducted at source ("TDS") under Section 194 of the Act (read with Press Release dated May 13th, 2020) @ 10% on the amount of dividend payable unless exempt under any of the provisions of the Act. However, in case of individuals, TDS would not apply if the aggregate of total dividend distributed to them by the Company during FY 2023-24 does not exceed Rs. 5,000/-.

Tax at source will not be deducted where a member provides Form 15G (applicable to Individual in case of dividend) / Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are being met. Blank Form 15G and 15H can be availed by emailing to RTA - Skyline Financial Services Private Limited at subhashdhingreja@skylinerta.com / pravin.cm@skylinerta.

**Needless to mention, the Permanent Account Number (PAN) will be mandatorily required.** If PAN is not submitted, Tax at source will be deducted @ 20% as per Section 206AA of the Act.

In order to provide exemption from withholding of tax, the following organisations must provide a self-declaration as listed below:

- **Insurance companies :** A declaration that they are beneficial owners of shares held.
- **Mutual Funds :** A declaration that they are governed by the provisions of Section 10(23D) of the Act along with copy of registration documents (self-attested).
- **Alternative Investment Fund (AIF) established in India :** A declaration that its income is exempt under Section 10(23FBA) of the Act and they are established as Category I or Category II AIF under the SEBI Regulations. Copy of registration documents (self-attested) should be provided.
- **New Pension System Trust :** A declaration that they are governed by the provisions of Section 10(44) [subsection 1E to Section 197A] of the Act along with copy of registration documents (self-attested);
- **Corporation established by or under a Central Act** which is, under any law for the time being in force, exempt from income tax on its income - Documentary evidence that the person is covered under Section 196 of the Act.

**For non-resident members :** Tax is required to be withheld in accordance with the provisions of Section 195 of the Act at applicable rates in force. As per the relevant provisions of the Act, the tax shall be withheld @ 20% (plus applicable

surcharge and cess) on the amount of dividend payable. However, as per Section 90 of the Act, a non-resident member has the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the member, if they are more beneficial to the member. For this purpose, i.e. to avail tax treaty benefits, the non-resident member will have to provide the following:

- i. Self-attested copy of Permanent Account Number (PAN Card), if any, allotted by the Indian income tax authorities;
- ii. Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the member is resident;
- iii. Self-declaration in Form 10F, if all the details required in this form are not mentioned in the TRC;
- iv. Self-declaration by the non-resident member of having no permanent establishment in India in accordance with the applicable Tax Treaty;
- v. Self-declaration of beneficial ownership by the non-resident member.

The documents referred to in point nos. (iii) to (v) can be availed by emailing to [shradhaindustrieslimited1@gmail.com](mailto:shradhaindustrieslimited1@gmail.com) / RTA - Skyline Financial Services Private Limited at [subhashdhingreja@skylinerta.com](mailto:subhashdhingreja@skylinerta.com) / [pravin.cm@skylinerta.com](mailto:pravin.cm@skylinerta.com) before 05th July 2024.

The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by non-resident member.

Notwithstanding the above, tax shall be deducted at source @ 20% (plus applicable surcharge and cess) on dividend paid to Foreign Institutional Investors and Foreign Portfolio Investors under section 196D of the Act. Such rate shall not be reduced on account of the application of the lower DTAA rate, if any.

**To enable us to determine the appropriate TDS / withholding tax rate applicable, we request you to provide the above details and documents not later than before Friday, 05th July, 2024 by 05:00 PM IST.**

To summarize, dividend will be paid after deducting the tax at source as under:

- NIL for resident members receiving dividend upto Rs. 5000/- or in case Form 15G / Form 15H (as applicable) along with self-attested copy of the PAN is submitted.
- 10% for resident members in case PAN is provided / available.
- 20% for resident members, if PAN is not provided / not available.
- Tax will be assessed on the basis of documents submitted by the non-resident members.
- 20% plus applicable surcharge and cess for non-resident members in case the aforementioned documents are not submitted.
- Lower / NIL TDS on submission of self-attested copy of the certificate issued under Section 197 of the Act.

Kindly note that the aforementioned documents should be uploaded/send with/to Skyline Financial Services Private Limited, the Registrar and Transfer Agent at [subhashdhingreja@skylinerta.com](mailto:subhashdhingreja@skylinerta.com) / [pravin.cm@skylinerta.com](mailto:pravin.cm@skylinerta.com).

**No communication on the tax determination / deduction shall be entertained after Friday, 05th July, 2024 by 05:00 PM IST.**

In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details / documents, you would still have the option of claiming refund of the excess tax paid at the time of filing your income tax return. No claim shall lie against the Company for such tax deducted.



We request you to submit / update your bank account details with your Depository Participant, in case you are holding shares in the demat form. In case your shareholding is in the physical form, you will have to submit a scanned copy of a covering letter, duly signed by the first member, along with a cancelled cheque leaf with your name and bank account details and a copy of your PAN card, duly self- attested, to Skyline Financial Services Private Limited. This will facilitate receipt of dividend directly into your bank account. In case the cancelled cheque leaf does not bear the members' name, please attach a copy of the bank pass-book statement duly self-attested. **We also request you to register your email IDs and mobile numbers with the RTA.**

Stay healthy and safe.

Yours sincerely,

**For Shradha AI Technologies Limited  
(Formerly known as Shradha Industries Limited)**

**SD/-**

**Sunil Raisonni**

**Managing Director**

**FORM NO. 15H****[See section 197A(1C) and rule 29C]**

**Declaration under section 197A(1C) to be made by an individual who is of the age of sixty years or more claiming certain incomes without deduction of tax.**

1. Name of Assessee (Declarant)		2. PAN of the Assessee <sup>1</sup>		3. Date of Birth <sup>2</sup> (DD/MM/YYYY)	
4. Previous year(P.Y.) <sup>3</sup> (for which declaration is being made)		5. Flat/Door/Block No.		6. Name of Premises	
7. Road/Street/Lane		8. Area/Locality		9. Town/City/District	
				10. State	
11. PIN	12. Email		13. Telephone No. (with STD Code) and Mobile No.		
14 (a) Whether assessed to tax <sup>4</sup> :		Yes		No	
(b) If yes, latest assessment year for which assessed					
15. Estimated income for which this declaration is made			16. Estimated total income of the P.Y. in which income mentioned in column 15 to be included <sup>5</sup>		

17. Details of Form No.15H other than this form filed for the previous year, if any<sup>6</sup>

Total No. of Form No.15H filed

Aggregate amount of income for which Form No.15H filed

18. Details of income for which the declaration is filed

Sl. No.	Identification number of relevant investment/account, etc. <sup>7</sup>	Nature of income	Section under which tax is deductible	Amount of income
1.				
2.				
3.				
4.				
5.				
6.				

**Signature of the Declarant**

**Declaration/Verification<sup>8</sup>**

I ..... do hereby declare that I am resident in India within the meaning of section 6 of the Income Tax Act, 1961. I also hereby declare that to the best of my knowledge and belief what is stated above is correct, complete and is truly stated and that the incomes referred to in this form are not includible in the total income of any other person under sections 60 to 64 of the Income-tax Act, 1961. I further declare that the tax on my estimated total income including \*income/incomes referred to in column 15 \*and aggregate amount of \*income/incomes referred to in column 17 computed in accordance with the provisions of the Income-tax Act, 1961, for the previous year ending on.....relevant to the assessment year..... will be nil.

Place:

Date:

**Signature of the Declarant**

## PART II

**[To be filled by the person responsible for paying the income referred to in column 15 of Part I]**

1. Name of the person responsible for paying <b>SHRADHA AI TECHNOLOGIES LIMITED</b> <b>(FORMERLY KNOWN AS SHRADHA INDUSTRIES LIMITED)</b>		2. Unique Identification No. <sup>9</sup>	
3. PAN of the person responsible for paying AACCS7954A	4. Complete Address : 1st floor, 345, Shradha House, Kingsway Road, Nagpur - 440001, Maharashtra, India	5. TAN of the person responsible for paying : NGPS04843G	
6. Email : shradhaindustrieslimited1@gmail.com	7. Telephone No. (with STD Code) and Mobile No. 0712-6617181/82	8. Amount of income paid <sup>10</sup>	
9. Date on which Declaration is received (DD/MM/YYYY)		10. Date on which the income has been paid/credited	

Place : .....

Date : .....

Signature of the person responsible for paying the income referred to in column 15 of Part I

\*Delete whichever is not applicable.

- 1 As per provisions of section 206AA(2), the declaration under section 197A(1C) shall be invalid if the declarant fails to furnish his valid Permanent Account Number (PAN).
- 2 Declaration can be furnished by a resident individual who is of the age of 60 years or more at any time during the previous year.
- 3 The financial year to which the income pertains.
- 4 Please mention "Yes" if assessed to tax under the provisions of Income-tax Act, 1961 for any of the assessment year out of six assessment years preceding the year in which the declaration is filed.
- 5 Please mention the amount of estimated total income of the previous year for which the declaration is filed including the amount of income for which this declaration is made.
- 6 In case any declaration(s) in Form No. 15H is filed before filing this declaration during the previous year, mention the total number of such Form No. 15H filed along with the aggregate amount of income for which said declaration(s) have been filed.
- 7 Mention the distinctive number of shares, account number of term deposit, recurring deposit, National Savings Schemes, life insurance policy number, employee code, etc.
- 8 Before signing the declaration/verification, the declarant should satisfy himself that the information furnished in this form is true, correct and complete in all respects. Any person making a false statement in the declaration shall be liable to prosecution under section 277 of the Income- tax Act, 1961 and on conviction be punishable-
  - (i) in a case where tax sought to be evaded exceeds twenty-five lakh rupees, with rigorous imprisonment which shall not be less than six months but which may extend to seven years and with fine;
  - (ii) in any other case, with rigorous imprisonment which shall not be less than three months but which may extend to two years and with fine.
- 9 The person responsible for paying the income referred to in column 15 of Part I shall allot a unique identification number to all the Form No. 15H received by him during a quarter of the financial year and report this reference number along with the particulars prescribed in rule 31A(4)(vii) of the Income-tax Rules, 1962 in the TDS statement furnished for the same quarter. In case the person has also received Form No.15G during the same quarter, please allot separate series of serial number for Form No.15H and Form No.15G.
- 10 The person responsible for paying the income referred to in column 15 of Part I shall not accept the declaration where the amount of income of the nature referred to in section 197A(1C) or the aggregate of the amounts of such income credited or paid or likely to be credited or paid during the previous year in which such income is to be included exceeds the maximum amount which is not chargeable to tax after allowing for deduction(s) under Chapter VI-A, if any, or set off of loss, if any, under the head "income from house property" for which the declarant is eligible. For deciding the eligibility, he is required to verify income or the aggregate amount of incomes, as the case may be, reported by the declarant in columns 15 and 17."

"Provided that such person shall accept the declaration in a case where income of the assessee, who is eligible for rebate of income-tax under section 87A, is higher than the income for which declaration can be accepted as per this note, but his tax liability shall be nil after taking into account the rebate available to him under the said section 87A."

**FORM NO. 15H****[See Section 197A(1), 197A(1A) and rule 29C]**

**Declaration under section 197A (1) and section 197A(1A) to be made by an individual or a person (not being a company or firm) claiming certain incomes without deduction of tax.**

1. Name of Assessee (Declarant)	2. PAN of the Assessee <sup>1</sup>		
3. Status <sup>2</sup>	4. Previous year(P.Y.) <sup>3</sup> (for which declaration is being made)	5. Residential Status <sup>4</sup>	
6. Flat/Door/Block No.	7. Name of Premises	8. Road/Street/Lane	9. Area/Locality
10. Town/City/District	11. State	12. PIN	13. Email
14. Telephone No. (with STD Code) and Mobile No.	15 (a) Whether assessed to tax under the Income-tax Act, 19615: Yes <input type="checkbox"/> No <input type="checkbox"/>		
	(b) If yes, latest assessment year for which assessed		
16. Estimated income for which this declaration is made	17. Estimated total income of the P.Y. in which income mentioned in column 16 to be included <sup>6</sup>		
18. Details of Form No. 15G other than this form filed during the previous year, if any <sup>7</sup>			
Total No. of Form No. 15G filed	Aggregate amount of income for which Form No.15G filed		

19. Details of income for which the declaration is filed

Sr. No.	Identification number of relevant investment/account, etc <sup>8</sup>	Nature of income	Section under which tax is deductible	Amount of income
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				

**Signature of the Declarant**

**Declaration/Verification<sup>10</sup>**

\*I/We..... do hereby declare that to the best of \*my/our knowledge and belief what is stated above is correct, complete and is truly stated. \*I/We declare that the incomes referred to in this form are not includible in the total income of any other person under sections 60 to 64 of the Income-tax Act, 1961. \*I/We further declare that the tax \*on my/our estimated total income including \*income/incomes referred to in column 16 \*and aggregate amount of \*income/incomes referred to in column 18 computed in accordance with the provisions of the Income-tax Act, 1961, for the previous year ending on.....relevant to the assessment year..... will be nil. \*I/We also declare that \*my/our \*income/incomes referred to in column 16 \*and the aggregate amount of \*income/incomes referred to in column 18 for the previous year ending on..... relevant to the assessment year ..... will not exceed the maximum amount which is not chargeable to income-tax.

Place:

Date:

**Signature of the Declarant**

## PART II

**[To be filled by the person responsible for paying the income referred to in column 16 of Part I]**

1. Name of the person responsible for paying <b>SHRADHA AI TECHNOLOGIES LIMITED</b> <b>(FORMERLY KNOWN AS SHRADHA INDUSTRIES LIMITED)</b>		2. Unique Identification No. <sup>9</sup>	
3. PAN of the person responsible for paying : AACCS7954A	4. Complete Address : 1st floor, 345, Shradha House, Kingsway Road, Nagpur - 440001, Maharashtra, India	5. TAN of the person responsible for paying : NGPS04843G	
6. Email : shradhaindustrieslimited1@gmail.com	7. Telephone No. (with STD Code) and Mobile No. 0712-6617181/82	8. Amount of income paid <sup>10</sup>	
9. Date on which Declaration is received (DD/MM/YYYY)		10. Date on which the income has been paid/credited	

Place : .....

Signature of the person responsible for paying  
the income referred to in column 16 of Part I

Date : .....

\*Delete whichever is not applicable.

- 1 As per provisions of section 206AA(2), the declaration under section 197A(1) or 197A(1A) shall be invalid if the declarant fails to furnish his valid Permanent Account Number (PAN).
- 2 Declaration can be furnished by an individual under section 197A(1) and a person (other than a company or a firm) under section 197A(1A).
- 3 The financial year to which the income pertains.
- 4 Please mention the residential status as per the provisions of section 6 of the Income-tax Act, 1961.
- 5 Please mention "Yes" if assessed to tax under the provisions of Income-tax Act, 1961 for any of the assessment year out of six assessment years preceding the year in which the declaration is filed.
- 6 Please mention the amount of estimated total income of the previous year for which the declaration is filed including the amount of income for which this declaration is made.
- 7 In case any declaration(s) in Form No. 15G is filed before filing this declaration during the previous year, mention the total number of such Form No. 15G filed along with the aggregate amount of income for which said declaration(s) have been filed.
- 8 Mention the distinctive number of shares, account number of term deposit, recurring deposit, National Savings Schemes, life insurance policy number, employee code, etc.
- 9 Indicate the capacity in which the declaration is furnished on behalf of a HUF, AOP, etc.
- 10 Before signing the declaration/verification, the declarant should satisfy himself that the information furnished in this form is true, correct and complete in all respects. Any person making a false statement in the declaration shall be liable to prosecution under section 277 of the Income-tax Act, 1961 and on conviction be punishable-
  - (i) in a case where tax sought to be evaded exceeds twenty-five lakh rupees, with rigorous imprisonment which shall not be less than six months but which may extend to seven years and with fine;
  - (ii) in any other case, with rigorous imprisonment which shall not be less than three months but which may extend to two years and with fine.
- 11 The person responsible for paying the income referred to in column 16 of Part I shall allot a unique identification number to all the Form No. 15G received by him during a quarter of the financial year and report this reference number along with the particulars prescribed in rule 31A(4)(vii) of the Income-tax Rules, 1962 in the TDS statement furnished for the same quarter. In case the person has also received Form No.15H during the same quarter, please allot separate series of serial number for Form No.15G and Form No.15H.
- 12 The person responsible for paying the income referred to in column 16 of Part I shall not accept the declaration where the amount of income of the nature referred to in sub-section (1) or sub-section (1A) of section 197A or the aggregate of the amounts of such income credited or paid or likely to be credited or paid during the previous year in which such income is to be included exceeds the maximum amount which is not chargeable to tax. For deciding the eligibility, he is required to verify income or the aggregate amount of incomes, as the case may be, reported by the declarant in columns 16 and 18.;

## FORM NO. 10F

### [See sub-rule (1) of rule 21AB]

**Information to be provided under sub-section (5) of section 90 or sub-section (5) of section 90A of the Income-tax Act, 1961**

I..... \*son/daughter of Shri. ....in the capacity of ..... (Designation) do provide the following information, relevant to the previous year..... \*in my case/in the case of. .... for the purposes of sub-section (5) of \*section 90/section 90A:—

Sr. No.	Nature of information	: : Details
(i)	Status (individual, company, firm etc.) of the assessee :	:
(ii)	Permanent Account Number or Aadhaar Number of the assessee if allotted	:
(iii)	Nationality (in the case of an individual) or Country or specified territory of incorporation or registration (in the case of others)	:
(iv)	Assessee's tax identification number in the country or specified territory of residence and if there is no such number, then, a unique number on the basis of which the person is identified by the Government of the country or the specified territory of which the assessee claims to be a resident	:
(v)	Period for which the residential status as mentioned in the certificate referred to in sub-section (4) of section 90 or sub-section (4) of section 90A is applicable	:
(vi)	Address of the assessee in the country or territory outside India during the period for which the certificate, mentioned in (v) above, is applicable	:

2. I have obtained a certificate referred to in sub-section (4) of section 90 or sub-section (4) of section 90A from the Government of ..... (name of country or specified territory outside India)

Signature: .....

Name: .....

Address: .....

Permanent Account Number or Aadhaar Number .....

#### Verification

I ..... do hereby declare that to the best of my knowledge and belief what is stated above is correct, complete and is truly stated. Verified today the day of .....

Place: .....

.....

Signature of the person providing the information

#### Notes:

1. \*Delete whichever is not applicable.
2. #Write N.A. if the relevant information forms part of the certificate referred to in sub-section (4) of section 90 or sub-section (4) of section 90A.

**(On plain paper (for Individuals) or on the letter head (for other than Individuals) of the non-resident shareholder)**

Date: DD/MM/YYYY

To

**SHRADHA AI TECHNOLOGIES LIMITED  
(FORMERLY KNOWN AS SHRADHA INDUSTRIES LIMITED)**

1st floor, 345, Shradha House, Kingsway Road, Nagpur — 440001, Maharashtra, India

**Re: Self Declaration for claiming the tax treaty benefits for the financial year 2023-24 (01/04/2023 to 31/03/2024)**

This is with respect to the dividend received from SHRADHA AI TECHNOLOGIES LIMITED (FORMERLY KNOWN AS SHRADHA INDUSTRIES LIMITED) (SHRADHA). This is to confirm that I/We ..... (name of the non-resident shareholder):

- a) is / are an individual/Firm/Company/Other entity ..... (Please specify others)
- b) We are registered and incorporated under the laws of the ..... (Name of the country) (not applicable to individuals).
- c) We hold a certificate of residence dated xxxxxx (Copy enclosed) issued by the (Tax Authority of country of residence) which is valid from ..... to ..... Also attached is form 10F as specified in section 90 (5) of the Act read with Rule 21AB of the Income Tax Rules 1962.
- d) I/we am/are a "resident" of the ..... (Name of the foreign country) liable to tax therein as defined in Article 4 of the Double Tax Avoidance Agreement ("DTAA") between the Government of the Republic of India and the Government of the ..... (Name of the foreign country) read with the Multilateral Instrument (as ratified and applicable) and am/are eligible to claim the benefit of the DTAA.
- e) I / we do not have a "permanent establishment" or "fixed base" in India as defined under the relevant Articles of the said DTAA read with the Multilateral Instrument (as ratified and applicable).
- f) I/We am/are a non-resident of India under section 6 of the Income Tax Act, 1961 ("the Act") during the year 1 April 2023 to 31 March 2024.
- g) We do not have and will not have a Place of Effective Management in India as per section 6(3)(ii) of the Act during the year 1 April 2023 to 31 March 2024 (not applicable to individuals).
- h) I/ We do not have any business connection in India as per section 9(1) of the Act through which the business is carried on in India, which is linked to this dividend.
- i) I / We am/are (am not/ are not) the beneficial owner of shares held in the Company. Further, ..... (Name of the Non-resident shareholder) is the beneficial owner of dividend receivable from the GEL in relation to aforementioned shares (if applicable);
- j) I/We do / do not have PAN in India. Our PAN Number in India is ..... (if applicable). Copy of the PAN Card should be attached (if applicable).
- k) In the event there is any income tax demand (including interest) on the tax liability of (..... Name of Shareholder) raised / recovered in India in respect of dividend remittances, we undertake to pay the demand forthwith and provide SHRADHA AI TECHNOLOGIES LIMITED (FORMERLY KNOWN AS SHRADHA INDUSTRIES LIMITED) with all information / documents that may be necessary for any proceedings before the Income-tax / Appellate Authorities in India
- l) I/We confirm that my/our affairs are not arranged with the principal purpose to take advantage of the benefits available under the DTAA.
- m) I/We confirms that the arrangement in relation to the investments in Indian securities do not constitute an impermissible avoidance agreement as per provisions of Chapter X-A of The Act ("GAAR provisions) and that GAAR provisions are not applicable to it.

**\* Strike out whichever is not applicable.**

I/We also undertake, to intimate you immediately, if there are any changes in the above at any time during the year.

I/We hereby confirm that the declarations made above are complete, true and bona fide. This declaration is issued to the Company to enable them to decide upon the withholding tax applicable on the dividend income receivable by us/me.

**For (Name of the non-resident)**

(Name) (Designation)

Date :

Place :









**If not delivered kindly return this copy at**  
**SHRADHA AI TECHNOLOGIES LIMITED**  
(FORMERLY KNOWN AS SHRADHA INDUSTRIES LIMITED)  
**Shradha House, 345, Kingsway, Nagpur-440001, Maharashtra, India**  
**Tel: +91-66171818/82, Fax: +91-712-6630782**  
<https://shradhaaitechnologies.com>