

BASANT RAM & SONS
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report on the Standalone Annual Financial Results of Sir ShadiLal Enterprises Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended.

TO

THE MEMBERS OF

SIR SHADI LAL ENTERPRISES LIMITED

Report on the Standalone Ind AS Financial statements

Opinion

We have audited the accompanying standalone Annual Financial Statements of Sir ShadiLal Enterprises Limited (*"the Company"*) for the quarter and year ended March 31, 2024 (the "Standalone Annual Financial Results"). The Standalone Annual Financial Results have been submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended (the "Listing Regulation").

In our opinion and to the best of our information and according to the explanation given to us, the aforesaid Standalone Annual Financial Results:

- i. are presented in accordance with the requirement of Regulation 33 of the Listing Regulation in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Accounting Standards and other accounting principles generally accepted in India, of the net profit and other comprehensive Income and other financial information for the quarter ended March 31, 2024 and of the net loss and other comprehensive Income and other financial information for the year ended March 31, 2024.

Basis for Opinion

We conducted our audit of the Standalone Annual Financial Results in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the financial results" 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



there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Material Uncertainty related to Going Concern

Attention is invited to note no-7 of the financial statement wherein it is explained that the company has significant losses which has resulted in erosion of net worth of the company as on 31.03.2024. The reason for improvement explained by the company in the said note -7 that it will continue as a going concern and it will likely to pay its liabilities from expected generation of cash flow, are in our opinion uncertain, due to further increase in negative net worth in current year, which may cast significant doubt about the Company's ability to continue as a going concern.

Our report is unmodified in respect of the above matter.

Emphasis of Matters

- (a) The Company has not maintained accounts on "Accrual Basis" to the extent
- i) Of Rs. 19042.96 Lacs in respect of interest on late payment of Cane Price, which have not been provided as stated by the Company in Note No. 1 of the aforesaid financial statement.
 - ii) As stated in Note No. 2 of the aforesaid statement in respect of liability, not determined by the Company, towards bonus relating to financial year 2014-15 in accordance with revised Bonus Notification dated 1st January, 2016
- (b) As Stated in Note No. 3 to the aforesaid statements, the management has decided not to make any further provision this year for Deferred Tax Assets. The management in view of accumulated losses and in absence of virtual certainty about future profitability, has decided not to account for the effect of Deferred Taxation for this year, and continuing to carry forward the Deferred Tax Asset Rs. 6881.11 lakhs already accounted for in earlier years.
- (c) Attention is invited to Note No. 6 to the aforesaid statement, that the company has got revalued its freehold and leasehold land. As an outcome of this process the company has recognised net revaluation gain of Rs.37781.55 Lacs. The company recognised this increase within the revaluation reserve and statement of other comprehensive income. The said increase of Rs.37781.55 Lacs includes the valuation of leasehold land for Rs.8388.48 Lacs, the Title Deed of which is not in favour of the company, the said leasehold land has not got revalued during financial year ending on March 31, 2021. We have placed reliance on the valuation report dated 15.01.2024 of Land produced to us.



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 through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to 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 in the standalone financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors' 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 appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Standalone Financial Results of the Company to express an opinion on the Standalone Financial Results.
- Materiality is the magnitude of misstatements in the Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Results 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 Standalone Financial Results.

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



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

Other Matter

The Statement includes the financial results for the quarter ended March 31, 2024 being the balancing figure between the audited figures in respect of the financial year ended March 31, 2024 and the published unaudited year to date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

Our conclusion on the Statement is not modified in respect of this matter.

Place: New Delhi
Date: 28.05.2024

For BASANT RAM & SONS
Chartered Accountants
(F.R.N-000569N)

Rakesh K. Nayar

(R. K. Nayar)

Partner

(M.No- 087112)

UDIN: 24087112 BKHH0A1292



Sl. No.	Particulars	Quarter ended					Year ended					Quarterly reporting of segmentwise Revenue, Results and capital employed under Regulation 33 of SEBI(LODR) Regulations, 2015.								
		31.03.2024		31.12.2023		31.03.2023		31.03.2024		31.03.2023			Particulars	Quarter ended		Year ended				
		A	U	D	I	T	E	D	A	U	D			I	T	E	D			
		3	4	5	6	7	1	2	3	4	5	6	7		3	4	5	6	7	
A U D I T E D																				
1	Income																			
	(a) Revenue from operations	18564.48	10102.13	19110.24	46215.43	53239.29	1	Segment Revenue												
	(b) Other income	29.67	3.90	13.59	38.70	57.52		(a) Sugar	18506.17	9418.98	18638.17	40425.19	49518.23	(b) Distillery	1605.15	935.60	4113.00	9745.46	11518.22	
	Total income	18594.15	10106.03	19123.83	46254.13	53296.81		(c) Others	4.35	-	1.44	4.35	27.47	Total Segment Revenue	20115.67	10354.58	20750.61	50175.00	61063.92	
2	Expenses							Less: Inter Segment revenue	1521.52	248.55	1826.78	3920.87	5787.11	Total Revenue from operation	18594.15	10106.03	19123.83	46254.13	53296.81	
	(a) Cost of raw materials consumed	19934.90	6384.09	20452.84	36449.08	41423.94	2	Segment Results						(a) Sugar	2291.44	-483.35	101.68	505.00	-1794.20	
	(b) Purchase of stock-in-trade	-	-	-	-	-		(b) Distillery	-329.04	-	-	-	-54.12	Total segment profit before Finance Costs, tax and unallocable items	1962.40	-809.66	541.61	-217.51	-1848.32	
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	-5785.15	2600.77	-5066.81	2132.23	6914.34		Less:						I) Finance Cost	73.47	92.31	165.63	433.96	909.24	
	(d) Excise duty and Cess	-	-	-	-	-		II) Other Unallocable	124.62	42.55	74.45	287.20	204.63	Total Profit before tax	1764.31	-944.52	301.53	-918.67	-2962.19	
	(e) Employee benefits expense	944.17	733.11	1682.20	3030.32	3839.54		Expenditure (net of unallocable income)												
	(f) Finance Costs (net)	73.47	92.31	165.63	433.96	909.24														
	(g) Depreciation and amortisation expense	254.76	247.90	265.36	998.48	1109.29														
	(h) Other expenses	1407.69	992.37	1343.08	4128.75	4062.65														
	Total Expenses	16829.84	11050.55	18822.30	47172.80	58259.00														
3	Profit/(-)Loss before Exceptional Items and Tax(1-2)	1764.31	-944.52	301.53	-918.67	-2962.19	3	Segment Assets							(a) Sugar	65878.28	23891.66	42065.25	65878.28	42065.25
4	Exceptional Items	0.00	0.00	0.00	0.00	0.00		(b) Distillery	34432.48	36663.74	23594.61	34432.48	23594.61	(c) Unallocable Assets	262.69	398.39	555.15	262.69	555.15	
5	Profit/(-)Loss before Tax (3+4)	1764.31	-944.52	301.53	-918.67	-2962.19		Total Segment Assets	100573.45	60951.79	66215.01	100573.45	66215.01							
6	Tax expenses						4	Segment Liabilities							(a) Sugar	35482.15	35367.07	37593.38	35482.15	37593.38
	-Current	0.00	0.00	0.00	0.00	0.00		(b) Distillery	3437.20	3555.57	4070.43	3437.20	4070.43	(c) Unallocable Assets	2629.09	2552.44	2431.40	2629.09	2431.40	
	-Excess Provision of I/T relating to Earlier Year	0.00	0.00	0.00	0.00	0.00		Total Segment Liabilities	41548.44	41475.08	44095.21	41548.44	44095.21							
	-Deferred	0.00	0.00	0.00	0.00	0.00														
	Total Tax expenses	0.00	0.00	0.00	0.00	0.00														
7	Net Profit/ (-)Loss for the period/Year (5-6)	1764.31	-944.52	301.53	-918.67	-2962.19														
8	Other Comprehensive Income																			
	(i) Items that will not be reclassified subsequently to profit or loss	2.42	38.98	-153.36	43.32	-94.18														
	(ii) Items that will be reclassified subsequently to profit or loss	0.00	0.00	0.00	0.00	0.00														
	Gain on Revaluation of Land	37781.55	0.00	0.00	37781.55	0.00														
	Total Other Comprehensive Income	37783.97	38.98	-153.36	37824.87	-94.18														
9	Total Comprehensive Income for the period/ Year (7+8)	39548.28	-905.54	148.17	36906.20	-3056.37														
10	Paid-up equity share capital (Face value per share Rs.10/- each)	525.00	525.00	525.00	525.00	525.00														
11	Other Equity (Excluding revaluation reserve Rs.82340.69 Lacs)				(-) 16959.56	(-) 16064.21														
12	Earnings per equity share (Rs. 10/- each) (not annualised)																			
	(a) Basic	33.606	-17.990	5.743	-17.499	-56.423														
	(b) Diluted	33.606	-17.990	5.743	-17.499	-56.423														

STATEMENT OF ASSETS AND LIABILITIES

ASSETS		31.03.2024	31.03.2023
Non Current Assets			
(a) Property, Plant and Equipment		90325.66	53444.79
(b) Capital work-in-progress		38.15	38.15
(c) Other Intangible		-	0.13
(d) Financial Assets			
(i) Investments			
(ii) Trade receivables			
(iii) Loans		0.50	0.50
(iv) Other financial assets		188.34	159.79
(e) Deferred Tax assets (net)		6881.11	6881.11
(f) Other Non-Current assets		81.84	5.00
Non-Current assets		97515.60	60529.47
Current Assets			
(a) Inventories		8408.79	10626.80
(b) Financial Assets			
(i) Trade receivables		594.99	813.69
(ii) Cash and Cash equivalents		396.75	193.52
(iii) Bank Balance other than cash and cash equivalents		64.85	118.21
(iv) Other financial assets		8.79	8.23
(c) Other Current assets		464.79	808.21
Current assets		9938.96	12566.66
Total Assets		107454.56	73096.13
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital		525.00	525.00
(b) Other Equity			
(i) Capital Redemption Reserve		35.70	35.70
(ii) Retained Earnings		-16995.26	-16119.91
(iii) Revaluation Surplus		82340.69	44559.14
Sub Total Other Equity		65381.13	28474.93
Sub Total Equity		65906.13	28999.93
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		1630.82	3204.34
(ii) Provisions		1131.24	1071.68
(iii) Other non Current Liabilities		99.69	141.06
Non-Current Liabilities		2861.74	4417.08
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		2258.20	3694.10
(ii) Trade payables		30316.25	28384.91
(iii) Other Financial Liabilities		1524.71	2258.26
(iv) Other Current Liabilities		4443.06	5202.86
(b) Provisions		129.49	138.39
Current Liabilities		38981.71	39778.52
Total Equity and Liabilities		107454.56	73096.13



Done

Notes

- 1 The interest aggregating to Rs.607.19 Lakhs on delayed payment of sugar cane price for sugar seasons 2011-12 to 2014-15 is due for payment in view of the Supreme Court's order no.35113/2017 dated 23.04.2018. The company is contemplating to file a review petition against above mentioned order of Supreme Court. Therefore, no provision has been made for the above mentioned liability of Rs.607.19 Lakhs and also for Rs.19042.96 Lakhs relating to the subsequent financial years 2015-16 to 2023-24 to that extent the accounts are not maintained on accrual basis.
- 2 The Central Govt. Ministry of Law & Justice, have issued Notification No.6/2016 dated 1.1.2016 regarding payment of bonus (Amendment Act 2015) in terms of which the ceiling for payment of bonus has been revised w.e.f. 1st April, 2014. Certain High Courts have stayed the implementation of revision of Bonus from retrospective effect. ISMA has also filed writ against implementation of the order with regard to its retrospective effect from 1st April, 2014 and the matter is subjudice. Therefore the Company has not made provision for this liability for the year ending on 31.03.2015.
- 3 In view of Accumulated losses, and uncertainty of future profitability the Board have decided not to make any provision for Deferred Tax Assets for the current financial year, though not in line with Indian Accounting Standard-12.
- 4 Given the seasonal nature of the industry, the results of any quarter may not be a true and/or proportionate reflection of the annual performance of the company.
- 5 Financial Results of the company have been prepared in accordance with Indian Accounting standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended.
- 6 The Company has opted for revaluation model for measuring Free Hold and Lease Hold Land and land is carried in the books at the fair value. Independent valuations are undertaken once in three years. During the year the Company had appointed an Independent registered valuer to determine the fair value of Free Hold and Lease Hold Land. As an outcome of this process the Company has recognised net revaluation gain of Rs. 37781.55 Lakhs. The Company recognised this increase within the revaluation reserve and statement of other Comprehensive Income.
- 7 The net worth of the company has since been eroded on account of operational losses, incurred by the company upto the F.Y. 2014-15, which was basically on account of low recovery of sugar from sugarcane. Whereas on account of improvement in the sugar manufacturing unit, during the season 2015-16, the recovery has substantially improved with the result that the company has earned profit during the year 2016-17. The company has also reported profit during the year ending on 31.03.2020 Rs.384.91 Lakhs as compare to loss Rs. 1410.62 Lakhs during the year ending on 31.03.2021. The company is continuously striving for improvement in the operational efficiencies in other parameters. The company continue to operate at optimum levels and expects improvement in the operational efficiency in form of improvement in sugar recovery, reduction of over heads, finance and other cost. During the financial year 2023-24 the Company has substantial decrease in loss due to increase of recovery of sugar from sugar cane & improvement in sugar price. The Government has taken different measures to improve the financial health of Sugar industry to fix obligation for export of sugar (MIEQ-minimum indicative export quota) to reduce sugar availability, fixation of minimum support price(MSP) for sugar. Also, the Government has put a great thrust on promoting ethanol production and has planned to increase the ethanol blending in petrol upto 20 % by 2025. Ethanol will turn around the economic dynamics of the sugar industry positively. All these measures are expected to turnaround the operations of sugar industry on sustainable basis. As such the company will remain as a going concern and is likely to pay it's liabilities including cane dues from expected generation of cash flow. However the accumulated losses of the company as at 31.03.2024 were Rs.16959.56 Lakhs (excluding revaluation reserve) as against the paid up capital of Rs. 525.00 Lakhs
- 8 The figure of the previous period has been regrouped / reclassified to conform to current period's presentation.
- 9 The Audited Financial Statement for the quarter & year ended March 31,2024 has been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 28th May,2024

PLACE : NEW DELHI
DATED : 28th May,2024

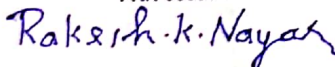
PLACE : NEW DELHI
DATED : 28th May,2024

For Sir Shadi Lal Enterprises Ltd.


(RAJAT LAL)
MANAGING DIRECTOR
DIN : 00112489

As per our report of even date attached
For Basant Ram & Sons
Chartered Accountants
FRN 000569N





(Rakesh Kumar Nayar)
M. No. 087112
Partner

UDIN: 24087112 BKHHOA1292

STATEMENT OF CASH FLOW

	For the year ended March 31, 2024 (Rs. in Lakhs)	For the year ended March 31, 2023 (Rs. in Lakhs)
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit/(Loss) before tax and exceptional item as per Profit & Loss Account		
Adjustments for :		
Depreciation	(918.67)	(2,962.19)
Interest (Net)	998.46	1,109.29
Bad debts & claims written off (Net)	421.78	853.95
(Profit)/Loss on sale & Disposal of Fixed Assets (Net)	130.38	25.23
Unclaimed Credit Balances Written Back	(9.39)	(1.87)
Stores Written off	1.85	-
Trade and other receivables	624.41	4.34
Inventories	420.75	(971.25)
Trade Payables	2,216.16	98.53
Interest paid	1,563.90	6,693.16
Direct tax paid (Net)	4,825.22	78.22
Net Cash from operating activities	(110.97)	5,898.66
	35.80	(382.35)
	4,750.05	0.30
		5,516.61
B. CASH FROM INVESTING ACTIVITIES :		
Purchase of fixed assets (including Intangible Assets)		
Capital Advance		
Sale/Written off of fixed assets (Net)		
Interest received	(98.61)	
Net Cash used in investing activities	(76.84)	(260.97)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from fixed Deposits/Directors Loan	10.35	53.01
Proceeds from Term Loan/Repayment of Finance Liability	9.62	7.10
Interest paid	(155.48)	41.10
Net Cash used in Financing Activities	154.92	(159.76)
Net increase in Cash and Cash equivalents	(4,058.17)	126.93
Opening balance of Cash and Cash equivalents	(488.09)	(5,427.78)
Closing balance of Cash and Cash equivalents	(4,391.34)	(5,883.20)
	203.23	(5,884.05)
	193.52	(527.20)
	396.75	720.72
		193.52

Note : Figures in () denote Cash Outgo

As per our report of even date
for BASANT RAM & SONS
Chartered Accountants
Firm Registration No. 000569N

Rakesh K. Nayyar

R.K. NAYAR
Partner
Membership No 087112

A.K. Jain
A.K. JAIN
Company Secretary
(M. No. FCS5826)

Rajal Lal
RAJAT LAL
Managing Director
(DIN : 00112489)

