

**MPCON LTD**

**45<sup>TH</sup> ANNUAL REPORT**  
**FINANCIAL YEAR 2023-24**

**REGISTERED OFFICE**

**Ground Floor, 35, Rajeev Gandhi Bhawan, Parisar-2, Shyamla Hills, Bhopal-462002**  
**Phone: 0755-4909829, 2666556**

E-mail: [mpcon.bpl@mpconsultancy.org](mailto:mpcon.bpl@mpconsultancy.org), Website: [www.mpconsultancy.org](http://www.mpconsultancy.org)

## **BOARD OF DIRECTORS**

1. **Shri PRASOON**  
Chairman, MPCON Ltd. and  
Executive Director, IFCI Limited
2. **Shri Ashutosh Singla**  
Managing Director, MPCON Ltd. and  
DGM, IFCI Ltd.
3. **Shri Arun Kumar Goyal**  
Director, MPCON Ltd.
4. **Shri Ravi Ranjan Mishra**  
General Manager, IFCI Limited
5. **Shri Pramod Dwibedi (w.e.f. 04.04.2024)**  
General Manager, Bank of India,
6. **Shri Tarsem Singh**  
Zonal head, Central Bank
7. **Shri Kundan Jyoti**  
General Manager, SBI
8. **Shri Shailendra Singh Bora**  
Zonal Manager, Punjab National Bank
9. **Shri Anil Kumar Thagle,**  
Deputy Chief General Manager (Project /IT) MPLUN Ltd

**AUDITORS**

**M/s Deepak Goyal & Associates  
Chartered Accountants**

**SECRETARIAL AUDITORS**

**M/s Piyush Bindal & Associates  
Company Secretaries**

**BANKERS**

**State Bank of India  
Bank of India  
Union Bank of India  
IDBI Bank**

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# 45<sup>TH</sup> Annual Report 2023-24



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## **CHAPTER-1**

# **Notice of Annual General Meeting**

## **NOTICE**

**NOTICE** is hereby given that the 45<sup>th</sup> Annual General Meeting of the members of the MPCON Limited will be held on Friday, the 27<sup>th</sup> day of September, 2024 at 11:30 AM through Video Conferencing ("VC") / other Audio Visual Means ("OAVM") for which purposes the Registered Office of the Company situated at Ground Floor, 35, Rajeev Gandhi Bhawan No. 2, Shyamla Hills, Bhopal Madhya Pradesh - 462002, to transact the following business –

### **ORDINARY BUSINESS**

- 1. To consider and adopt the Audited Financial Statements of MPCON Limited including the Balance Sheet, Statement of Profit & Loss Account and Cash Flow Statement for the year ended 31<sup>st</sup> March 2024 and the reports of the Board of Directors and Auditors thereon.**

To consider and if thought fit, to pass, with or without modifications, the following resolution, as an Ordinary Resolution:

**"RESOLVED THAT** the Audited Financial Statements of the Company as at 31<sup>st</sup> March, 2024 together with the Reports of the Directors and the Auditors thereon along with all annexures as laid before this Annual General Meeting be and are hereby received, considered and adopted by the members of the Company."

- 2. To fix and approve the remuneration of the Statutory Auditors of MPCON Limited for the Financial Year 2024-25.**

To consider and if thought fit, to pass, with or without modifications, the following resolution, as an Ordinary Resolution:

**"RESOLVED THAT** in terms of provisions contained under Section 139(5) and Section 142 of the Companies Act, 2013, read with Companies (Audit & Auditors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and all other applicable provisions, if any, of the said Act, the Board of Directors of MPCON Limited be and is hereby authorized to decide and fix the remuneration of the Statutory Auditor(s) of the company, appointed by the Comptroller and Auditor General of India (CAG) for the Financial Year 2024-25 as may be deemed fit."

- 3. To appoint a Director in place of Mr. Arun Kumar Goyal (DIN: 01061882), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.**

To consider and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of the Section 152 and other applicable provisions of the Companies Act, 2013 Mr. Arun Kumar Goyal (DIN: 01061882) who retires by rotation at this Annual General Meeting and being eligible has offered himself 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  
For MPCON Limited**

**(ASHUTOSH SINGLA)**  
**Managing Director**  
**DIN: 08255206**

**Place: Bhopal**  
**Date: 03.09.2024**

**NOTES:**

**1. Annual General Meeting ("AGM") through video conferencing ("VC") or any other audio-visual means ("OAVM"):**

The Ministry of Corporate Affairs ('MCA'), vide its General Circular No. 20/2020, 14/2020, 17/2020, 02/2021, 02/2022, 09/2023 allowed the Companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without the physical presence of the Members at a common venue. In accordance with, the said circulars of MCA and applicable provisions of the Act, the 45<sup>th</sup> AGM of the Company shall be conducted through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company. Participation of members through VC / OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Companies Act, 2013.

**2. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.**

- 3.** Explanatory statement setting out the material facts concerning each item of Special Business to be transacted at the General Meeting pursuant to Section 102 of the Companies Act, 2013 is annexed hereto and forms part of the Notice.
- 4.** In view of the MCA Circulars, no proxy shall be appointed by the members. However, corporate members are required to send to the Company, a certified copy of the Board Resolution/Letter, pursuant to Section 113 of the Companies Act 2013, authorizing their representative to attend and vote at the Meeting through VC to Company's mail-id i.e. [mpcon.bpl@mpconsultancy.org](mailto:mpcon.bpl@mpconsultancy.org) at least three days in advance of the meeting so that the necessary arrangements can be made for attending the meeting.
- 5.** In terms of the aforesaid Circulars, the businesses set out in the Notice will be transacted by the members through voting through E-mail which shall be sent by the designated e-mail id of the Company to the members, the voting system provided during the meeting while participating through VC facility.
- 6.** All documents referred to in the accompanying Notice as well as the other documents as required under the provisions of the Companies Act, 2013 are open for inspection at the Registered Office of the Company on all working days except Saturdays, Sundays and Holidays between 11:00 A.M. to 1:30 P.M. up to the date of this Annual General Meeting.
- 7.** Members seeking any information with regard to accounts or operations are requested to write to the Company at an early date, preferably at least seven days before the date of Meeting, to enable the management to keep the information ready.
- 8.** In accordance with the aforementioned MCA Circulars, the Company is conducting the meeting through video conferencing. The members are requested to follow the following instructions in order to participate in the Meeting through VC mechanism:
  - a)** The login-id and password for joining the meeting will be separately provided to members on the date of AGM on their registered email id.
  - b)** The facility for joining the Meeting shall be kept open 15 minutes before the time scheduled to start the meeting i.e. 11:30 a.m. and 15 minutes after the expiry of the said scheduled time i.e. till 11:30 a.m.;
  - c)** Participation of single member shall only be allowed at a time;
  - d)** Queries on the accounts and operations of the Company or the businesses covered under the Notice may be sent to Company's mail-id i.e.

mpcon.bpl@mpconsultancy.org at least seven days in advance of the meeting so that the answers may be made readily available at the meeting;

- e) Members are requested to e-mail at mpcon.bpl@mpconsultancy.org or call at 0755-2939555 in case of any technical assistance required at the time of log in/ assessing/ voting at the Meeting through VC;

## **Chapter -2**

# **Directors Report to Shareholders**

## **REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2024**

Your directors are pleased to submit their 45<sup>th</sup> Annual Report on the operations of your company (MPCON) along with Audited Financial Statements for the Financial Year ended on 31<sup>st</sup> March 2024.

### **FINANCIAL PERFORMANCE**

The Financial Performance of the Company during the Twelve Months period ended on 31<sup>st</sup> March 2024 is summarized hereunder: -

### **PROFIT AND LOSS ACCOUNT FOR THE FINANCIAL YEAR 2023-24**

(Amount in Lakhs)		
<b>Operating Years</b>	<b>FY 2023-24</b>	<b>FY 2022-23</b>
Revenue from Operations	23659.19	17883.45
Other Income	47.49	76.21
<b>Total Revenue</b>	<b>23706.69</b>	<b>17959.65</b>
Total Expenses	22860.59	17355.23
Profit before interest and tax & exceptional items	846.10	604.42
Exceptional Items	-	(3.20)
Finance Costs	0.00	0.00
<b>Profit before extra-ordinary items</b>	<b>846.10</b>	<b>601.22</b>
Extraordinary Items	-	-
Profit before tax	846.10	601.22
<b>Tax Expense</b>		
Current tax	258.47	156.32
Deferred Tax	1.95	3.45
<b>Profit After tax</b>	<b>589.58</b>	<b>441.45</b>
<b>Other Comprehensive Income</b>	<b>(4.50)</b>	<b>9.37</b>
<b>Total Comprehensive Income for the year</b>	<b>585.08</b>	<b>450.83</b>
Total Numbers of outstanding Equity Shares of INRs. 1000/- each	10000	10000
<b>Earnings per share (Rs.)</b>	<b>5851.00</b>	<b>4508.00</b>

**BALANCE SHEET FOR THE FINANCIAL YEAR 2023-24**

	<b>(Amount in Lakhs)</b>	
<b>Operating Years</b>	<b>FY 2023-2024</b>	<b>FY 2022-2023</b>
Non-current assets	1403.14	887.29
Current Assets	1603.27	1183.24
<b>Total Assets</b>	<b>3006.41</b>	<b>2070.53</b>
<b>Represented by:</b>		
Equity Share Capital (A)	100.00	100.00
Other Equity (B)	1448.37	1002.41
<b>Net worth (A+B)</b>	<b>1548.37</b>	<b>1102.41</b>
<b>Deferred tax Liabilities (Net)</b>	-	0.78
<b>Long term provisions</b>	0	0
<b>Non-Current Liabilities</b>	555.24	553.87
<b>Current Liabilities</b>	902.80	413.47
<b>Total Equity and Liabilities</b>	<b>3006.41</b>	<b>2070.53</b>

A perusal of the aforesaid statistics indicates that during FY 2023-24 under report, the Company registered the revenue from operations of INRs.23659.19 lakhs as compared to the revenue of INRs. 17883.45 lakhs for the previous Financial Year, reflecting an increase of INRs. 5775.74 lakhs i.e. 32.30%. The Profit before tax for the Financial Year ended on 31<sup>st</sup> March 2024 is INRs. 846.10 lakhs as against Profit before Tax of INRs. 601.22 lakhs for the Financial Year ended on 31<sup>st</sup> March 2023.

For the Financial Year ended on 31<sup>st</sup> March, 2024, the Company has registered Net profit after tax of INRs. 589.58 lakhs as compared to Net profit after tax of INRs. 441.45 lakhs for the Financial Year ended on 31<sup>st</sup> March 2023, reflecting an increase of INRs. 148.13 lakhs i.e. 33.56%.

The Earning per Share has increased from INRs. 4508.00 to INRs. 5851.00 due to robust financial performance of the Company during the Financial Year 2023-24.

**STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK**

During the year under review, MPCON completed various assignments in the following fields:

- 1) **Project Consultancy & Allied Services** (Techno Economic Viability (TEV) Reports, Lenders Independent Engineer (LIE) Reports, Project reports, Feasibility Studies, Market Surveys, etc.)



- 2) **Technical Consultancy:** This include IT/ITES activities like Digital Evaluation, Secure Marksheet Generation, University Management System, Software Development, Renewable Energy and Carbon Credits, etc.
- 3) **Skill Development Programs & Trainings (sponsored by Central & State Government Undertakings)** - Trainings & Capacity Building, Entrepreneurship, Technology based Programs, Faculty Development Programs, Skill Development Programs, Exposure Visits, etc.
- 4) Manpower Outsourcing
- 5) Financial Inclusion

MPCON registered robust growth rate in the year 2023-24 by capitalizing on its core competencies viz. Project Consultancy, Technical Consultancy, Skill development programs and related activities.

During the year, in the field of project consultancy, which consists of various categories of assignments viz. Techno Economic Viability Reports, Lenders Independent Engineer's Reports, Detailed Project Reports, Surveys and Studies, etc. MPCON made a significant contribution to various new projects. MPCON is empaneled with various public sector Banks for providing project consultancy services like TEVs, LIE, Valuations etc. In Chhattisgarh, MPCON's State Office, CITCON had worked closely with various Corporations of Chhattisgarh State in preparing various DPRs and Project Reports.

Training and capacity building in the field of Livelihood Trainings has been one of the main activities of MPCON since its inception. MPCON has undertaken such trainings in Madhya Pradesh, Chhattisgarh, Uttar Pradesh, Rajasthan & Maharashtra during the year under review, under the sponsorship of National Safai Karamacharis Finance & Development Corporation (NSKFDC), National Backward Class Finance and Development Corporation (NBCFDC), National Scheduled caste Finance and Development Corporation (NSFDC) under PM Daksh Scheme by Ministry of Social Justice and Empowerment, Govt. of India, MAPCET, Science and Technology (S&T), M.P. Forest Dept., NABARD and other esteemed sponsoring organizations.

During the year, MPCON continued to work on various projects. MPCON continued with digital evaluation work with M.P. Open School Education Board and M.P. Board of Secondary Education. It has also successfully provided consultancy to Govt. organizations for Carbon Credits.

In the financial inclusion segment, MPCON provided Business Correspondent services to Bank of India and to Madhyanchal Gramin Bank (A Regional Rural Bank).

## VISION

The future strategy of MPCON is to build on its existing strengths in the areas of Project and Technical Consultancy and Skill Development programs/ Livelihood trainings by expanding its services to more Government and private sector organizations.

## **DIVIDEND**

During the year the Company has declared and paid Interim Dividend @ 100% of the Equity Share Capital amounting to INRs. 100.00 Lakhs to the Equity Shareholders of the Company for the Financial Year 2023-24. It was approved in the meeting of the Board of Directors of the Company held on 04<sup>th</sup> November 2023.

## **PUBLIC DEPOSIT**

Your Company did not raise any public deposits during the year. There was no public deposit outstanding as at the beginning or end of the financial year 2023-24.

## **CHANGES IN COMPOSITION OF DIRECTORS OF THE COMPANY**

There have been the following changes in the Directors of the Company during the financial year ended 31<sup>st</sup> March, 2024 and after till the date of this report:

### **A. Changes by Appointment**

1. Shri Kundan Jyoti, General Manager Network-1, State Bank of India was appointed as the Nominee Director of the Company w.e.f. 15<sup>th</sup> September, 2023.
2. Shri Pramod Kumar Dwibedi, Field General Manager (FGMO Bhopal), Bank of India was appointed as the Nominee Director of the Company w.e.f. 04<sup>th</sup> April, 2024.

### **B. Changes by Resignations/transfers etc.**

1. Shri. Shailendra Singh Taragi, State Bank of India ceased to hold the office of Nominee Director of the Company due to the nomination withdrawn by the State Bank of India w.e.f. 08<sup>th</sup> August, 2023.
2. Shri Lokesh Krishna, Bank of India ceased to hold the office of the Nominee Director of the Company due to his nomination withdrawn by the Bank of India with effect from 04<sup>th</sup> April, 2024.

## PARTICULARS OF EMPLOYEES

During the period under report, the company did not have any person on its rolls whose particulars are required to be reported under Section 197 of the Companies Act, 2013, read with Rule 5 (1) of the (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and therefore your company has nothing to report under the aforesaid provisions of the Act.

## EXTRACT OF ANNUAL RETURN

In term of Section 134(3)(a), read with Rule 12 of the Companies Management & Administration Rules, 2014, extract of the Annual Return of the Company made out in Form No. MGT-9 is attached to this report as **Annexure-I**.

## DETAILS OF BOARD MEETINGS

In term of Section 134(b) of the Companies Act, 2013, your board met four times during the 12 Months period ended 31<sup>st</sup> day of March, 2024. The details of the meetings along with the attendance are given below-

Quarter ended	Date of Meeting	Strength of Board	No. of Directors Present
April - June 2023	11.05.2023	9	5
July - Sept 2023	08.08.2023	9	6
Oct - Dec 2023	04.11.2023	9	5
Jan - March 2024	06.02.2024	9	7

Name of the Directors	Date of Appointment	Date of cessation	Board Meetings			
			11 <sup>th</sup> May, 2023	08 <sup>th</sup> Aug., 2023	04 <sup>th</sup> Nov, 2023	06 <sup>th</sup> Feb., 2024
Shri Arun Kumar Goyal (DIN: 01061882)	06.09.2021	----	✓	✓	×	✓
Shri Ashutosh Singla (DIN: 06646775)	05.05.2022	----	✓	✓	✓	✓
Shri Tarsem Singh (DIN: 09627697)	15.06.2022	----	×	✓	×	×
Shri Anil Kumar Thagle (DIN: 09737969)	19.09.2022	----	×	×	×	✓
Shri Shailendra Singh Taragi (DIN: 09724124)	19.09.2022	08.08.2023	×	--	--	--

Shri Shailendra Singh Bora (DIN: 09737958)	19.09.2022	----	×	×	✓	×
Shri Prasoon (DIN: 03599426)	30.09.2022	----	✓	✓	✓	✓
Shri Ravi Ranjan Mishra (DIN: 07147779)	13.10.2022	----	✓	✓	✓	✓
Shri Kundan Jyoti (DIN: 10321190)	15.09.2023	---	--	×	×	✓
Shri Lokesh Krishna (DIN: 09342632)	30.09.2023	04.04.2024	✓	✓	✓	✓

Your directors are pleased to report further that in the matter of Board Meetings your company sought to comply with the Secretarial Standard on Board Meeting prescribed by the Institute of Company Secretaries of India and circulated agenda and notes of meetings to Directors well in advance and in defined agenda format incorporating all material information therein thereby facilitating meaningful and focused discussions at the meetings. Where it has not been practicable to attach any document to the agenda, it is tabled at the meeting itself. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are tabled with the permission of the Chair.

## SUBSIDIARIES AND ASSOCIATE COMPANIES

The Company does not have any subsidiary and associate companies and therefore it has nothing to report in respect thereof.

## DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134 (5) of the Companies Act 2013, your directors confirm that:

- in the preparation of the annual accounts for the year ended March 31, 2024 the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2024 and of the profit /loss of the Company for that period;
- the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for

safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- d) the directors have prepared the annual accounts on a “going concern” basis;
- e) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **MPCON POLICY ON DIRECTORS, KMPs AND OTHER EMPLOYEES**

In term of net worth, turnover, volume of borrowings etc. the size of the company is very small and that, therefore, during the period under report it is beyond the bracket of specified companies that attract the provisions contained under Section 134(3) (e) read with Section 178(3) of the Companies Act, 2013 and that therefore it has not formulated any policy respecting appointment, remunerations of KMPs and fixing criteria for determining their qualifications, attributes and independence.

### **AUDITORS REPORT**

Being a subsidiary of IFCI Ltd. a Government Company within the meaning of Section 2(45) of the Companies Act, 2013, the Comptroller & Auditor General appointed **M/s DEEPAK GOYAL & ASSOCIATES**, a firm of Chartered Accountants having Firm Registration No. 006749C, operating from their Office situated at F-02, Sachi Complex Shivaji Nagar, Opp Board Office, Bhopal 462016 Madhya Pradesh - India, as the Statutory Auditors of MPCON to carry out the audit of the Company for the Financial Year 2023-24.

The report dated 26.04.2024 & revised report dated 14.08.2024 submitted by the firm does not contain any qualification.

In terms of the Section 139 and 142 of the Companies Act, 2013 a proposal for payment of remuneration to the Auditors for the audit function discharged by them is being brought up as one of the business to be transacted at the ensuing 45<sup>th</sup>AGM of the Company.

### **COMMENTS / OBSERVATIONS OF CAG ON THE ANNUAL ACCOUNTS OF THE COMPANY FOR FINANCIAL YEAR 2023-24**

These are annexed with this report in **ANNEXURE-II**.

### **DETAILS REGARDING FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12)**

During the year under review, there were no frauds reported by the auditors to the Board under section 143(12) of the Act.

#### **DETAILS OF MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION**

During the year under review and till the date of report, there is no material change and commitments made which affect the financial position of the Company.

#### **MATERIAL ORDER PASSED AND INSTRUCTION FROM COURTS, TRIBUNAL THAT CAN AFFECT EXISTENCE OF THE COMPANY**

During the period under report no orders were passed and no instructions were given by any court, tribunal, regulators that could impact the going concern status of your Company. The financial statements of the Company for the year under report have been compiled based on going concern concept.

#### **STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS**

Your Company believes that freedom of management should be exercised within a framework of appropriate checks and balances and therefore it remains committed to ensuring effective internal controls that, among others, provide an assurance on orderly and efficient conduct of operations, security of assets, prevention and detection of frauds, errors, accuracy and completeness of accounting records and facilitates accurate, reliable and timely preparation of requisite financial statements.

With a view to strengthening the existing mechanism for corporate governance and ensuring greater transparency in the Indian Corporate, the Companies Act, 2013 has re-emphasized the importance of a robust internal controls environment by introducing the concept of an Internal Financial Controls (IFC).

The Internal Audit System of your company consists of professionally qualified accountants competent to deliver internal audit assurances that are commensurate to its size, business mix and business volume / turnover. In the context of the business environment, the system and policies relating to management of Information are periodically reviewed to ensure that the same are effective and purpose oriented at all the time.

#### **SECRETARIAL AUDITORS REPORT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s Piyush Bindal & Associates, Company Secretaries, CP No. 7442, Bhopal has been appointed to undertake the Secretarial Audit of the Company for the Financial Year 2023-24.

The Secretarial Audit Report which is required to be annexed with the Directors Report in terms of Sub-Section (3) of Section 134 of the Companies Act, 2013 is Annexed in **Annexure-III**.

### **POLICIES FRAMED IN THE COMPANY**

The Existing Policies of the Company as framed in the previous years are enlisted below-

- Delegation of Powers approved in the 203<sup>rd</sup> Board Meeting of the Company held on 26<sup>th</sup> April, 2024.
- Uniform Document Retention Policy approved in the 170<sup>th</sup> Board Meeting of the Company held on 23<sup>rd</sup> April, 2016.
- Uniform Policy on Pay Scale & Allowances, Perquisites/facilities and other staff related matters.
- Business Procurement, Execution, Empanelment and Purchase Policy of the Company approved in the 203<sup>rd</sup> Board Meeting of the Company held on 26<sup>th</sup> April, 2024.
- Uniform Promotion Policy of MPCON.
- Policy on Risk Management.
- Policy for prevention, prohibition and redressal of Sexual Harassment of women at workplace.

### **RISK MANAGEMENT POLICY**

The Company has duly framed and adopted the Risk Management Policy in the Financial Year 2015-16 and the Company is also having Risk Evaluation Committee consisting of MPCON's officials. As of now, the company has not identified any element of risk which may threaten the existence of the Company.

### **DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

The Company has framed the Policy for Prevention, Prohibition and Redressal of Sexual Harassment of women at workplace based on the CCS (Conduct) Rules, 1964 Guidelines regarding prevention in the workplace. MPCON has constituted a committee under these guidelines. During the period no cases were filed under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 in respect of the Company.

### **DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES**

As per directives of IFCI, the Chief Vigilance Officer of IFCI has been appointed as Chief Vigilance Officer in MPCON.

## **PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS UNDER SECTION 186**

During the period under report, no loans were advanced, guarantees given and investments made that attract the provisions contained under Section 186 of the Companies Act, 2013 and that, therefore, the company has nothing to disclose under the aforesaid provision of the Act.

## **RELATED PARTY TRANSACTIONS**

The company did not enter into any material contract details of which need to be disclosed under the report. The transaction which the company has with its parent company in the ordinary course of its business are disclosed under **Annexure IV** to this report.

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

Information regarding loans, guarantees and investments covered under the provisions of Section 186 of the Act, is detailed in the financial statements.

## **CHANGES IN RESERVES**

There were no changes in general reserves for the financial year ended March 31, 2024.

## **TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND**

During the period under review, there is no amount unpaid/unclaimed dividend which is required to be transferred in IEPF (Investor Education and Protection Fund) as per the provisions of the Companies Act, 2013.

## **SHARE CAPITAL**

### **a. Issue of Equity Share and Equity Shares with differential rights**

During the period under review, your Company has not issued Equity Shares and Equity Shares with differential rights.

### **b. Issue of Sweat Equity Shares**

As per rule 8 (13) of Companies (Share Capital and Debentures) Rules, 2014, during the period under



review, your Company has not issued Sweat equity shares.

**c. Issue of employee stock options**

As per rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014, during the period under

review, your Company has not issued equity shares under the scheme of employee stock option.

**d. Issue of Bonus Share**

During the period under the review, your company has not issued Bonus Shares.

**e. Provision of money by Company for purchase of its own shares by employees or by trustees for the benefit of employees**

As per rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014 there are no voting rights exercised directly or indirectly by the employees in respect of shares held by them.

**CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)**

There was no application made during the year and there were no proceedings pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) at the end of the financial year.

**AUDIT COMMITTEE**

As per the provisions of Section 177 of the Companies Act, 2013, and other applicable rules and provisions, if any, the requirement to constitute Audit committee has become applicable to the Company during the Financial Year 2023-24 and the Company has requested IFCI (parent company) to appoint the Independent Directors on the Board as per the applicable provisions of the Companies Act, 2013, post appointment of whom, the Audit Committee would be constituted.

**NOMINATION AND REMUNERATION COMMITTEE**

As per the provisions of Section 178 of the Companies Act, 2013, and other applicable rules and provisions, if any, the requirement to constitute Nomination & Remuneration Committee has become applicable to the Company during the Financial Year 2023-24 and the Company has requested IFCI (parent company) to appoint the Independent Directors on the Board as per the applicable provisions of the Companies Act, 2013, post appointment of whom, the Nomination & Remuneration Committee would be constituted.

**INDIAN ACCOUNTING STANDARDS, 2015**

The annexed financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Act, Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

## SECRETARIAL STANDARDS OF ICSI

The Company has complied with the requirements prescribed under the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) read with the MCA Circulars granting exemptions.

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

The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are as under-

### a) Conservation of Energy

Your company is a Service company engaged mainly in providing consultancy services and it requires electrical energy only for the purpose of lighting its office premises and running its office equipment which it has installed. Such office equipment and electric fixtures do not consume much energy. Therefore, it has nothing to report under Section 134(3)(m) of the Companies Act, 2013.

### b) Technology Absorption

The Company continues to use the latest technologies to improve the quality of its services. Its operations do not require import of any technology. Hence, it has nothing to report in the matter of absorption of technology.

### c) Foreign Exchange Earnings/ Outgo

During the period under report, your company did not earn any foreign exchange, however foreign exchange outgo has been incurred by the company towards registration fees. Details of earnings and outgo of foreign exchange are given below: -

	INR	USD /EURO
FOREIGN EXCHANGE EARNING	NIL	NIL
FOREIGN EXCHANGE OUTGO	1. 2,30,000.00 2. 42,080.00	1. 2500 EURO 2. 500 USD

## **CORPORATE SOCIAL RESPONSIBILITY**

Pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company is not required to constitute CSR Committee of the Board as the total obligation for CSR amount to be spent is less than INRs. 50.00 lakhs.

As per Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the CSR Policy is required to be adopted by the Board and the same has been adopted by the Board in its meeting held on 03/09/2024. The policy is attached as **Annexure-V**.

Annual Report on Corporate Social Responsibility as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is prepared and the same is annexed to the Board's Report as **Annexure-VI**. The details of amount budgeted, spent and unspent are included in the said report.

## **COMPLIANCE OF OTHER PROVISIONS OF THE COMPANIES ACT, 2013**

Certain provisions of the Companies Act, 2013 and rules formulated therein and be enforced under them, dealing inter-alia, with the following aspects which are either not applicable to the Company or Company has nothing reportable in respect thereof:

- Particulars of Subsidiaries and Associate Companies.
- Disclosure of receipt of any commission by Managing Director/Whole Time Director from company and also receiving remuneration from its subsidiary/ holding company in term of Section 197(14) of the Act.
- Provisions dealing with purchase of its own shares by a Company.
- Provisions governing Issue of Sweat Equity and Employees Stock Options Scheme, issue of shares with differential voting rights etc. regulated by the Act under Companies.
- (Share Capital & Debentures) Rules, 2014.
- Provisions relating to maintenance of Cost records as specified by the Central Government under Sub section (1) of Section 148 of the Companies Act, 2013.
- Directors' remuneration policy and criteria for matters under Section 178.
- The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year.

**ACKNOWLEDGMENT**

The Board of Directors of your Company wish to express gratitude for the guidance, support and co-operation received by the MPCON from various Departments of the Government of India and Government of Madhya Pradesh, Government of Chhattisgarh and other State Governments, IFCI Ltd. and other shareholders, State level Financial Corporations/Institutions, and Nationalized/Commercial Banks, Public Sector Undertakings, etc.

**Place: Bhopal**  
**Date: 03.09.2024**

**For and on behalf of the Board**  
**MPCON Limited**

**Ashutosh Singla**  
**(DIN: 06646775)**  
**Managing Director**

**Prasoon**  
**(DIN: 03599426)**  
**Director & Chairman**

**Annexure-I****FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN****As on the year ended on 31.03.2024**

**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.**

**I. REGISTRATION & OTHER DETAILS:**

<b>1. CIN</b>	U74140MP1979GOI001502
<b>2. Registration Date</b>	23.03.1979
<b>3. Name of the Company</b>	MPCON Limited
<b>4. Category/Sub-category of the Company</b>	Public Company
<b>5. Address of the Registered office &amp; contact details</b>	Ground Floor, 35, Rajeev Gandhi Bhawan-2, Shyamla Hills, Bhopal -462002 (M.P.)
<b>6. Whether listed company</b>	No
<b>7. Name, Address &amp; contact details of the Registrar &amp; Transfer Agent, if any.</b>	NA

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

(All the business activities contributing approx. 10 % or more of the total turnover of the company shall be stated)

<b>S. No.</b>	<b>Name and Description of main products / services</b>	<b>NIC Code of the Product/service</b>	<b>% to total turnover of the company</b>
1	Providing Technical , Management And Consultancy Services	702	12.30
2	Training Activities	749	4.28
3	Manpower Outsourcing	782	83.41

**III PARTICULARS OF HOLDING, SIBSIDIARY AND ASSOCIATE COMPANIES**

<b>S.No.</b>	<b>Name of the Company</b>	<b>CIN/GLN No.</b>	<b>Holding /Subsidiary /Associate</b>	<b>% of shares held by the company</b>	<b>Applicable Section</b>
1	IFCI Limited	L74899DL1993GOI053677	Holding	79.72%	2 (46) of the Companies Act, 2013

## IV. SHAREHOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

### i) Category-Wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2023]				No. of Shares held at the end of the year [As on 31-March-2024]				% Change during the year
	De mat	Physic al	Total	% of Total Shares	De ma t	Physic al	Total	% of Total Share s	
<b>A. Promoter s</b>									
(1) <b>Indian</b>									
a) Individual/ HUF	--	--	--	--	--	--	--	--	--
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	--	8672	8672	86.72	--	8672	8672	86.72	--
e) Banks / FI	--	1328	1328	13.28	--	1328	1328	13.28	--
f) Any other	--	--	--	--	--	--	--	--	--
<b>Total shareholding of Promoter (A)</b>	<b>--</b>	<b>10000</b>	<b>10000</b>	<b>100</b>	<b>--</b>	<b>10000</b>	<b>10000</b>	<b>100</b>	<b>--</b>
<b>B. Public Shareholding</b>									
1. Institutions	--	--	--	--	--	--	--	--	--
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Banks / FI	--	--	--	--	--	--	--	--	--
c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others	--	--	--	--	--	--	--	--	--

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<b>Sub-total (B)(1):-</b>	--	--	--	--	--	--	--	--	--
<b>2. Non-Institutions</b>									
a) Bodies Corp.	--	--	--	--	--	--	--	--	--
i) Indian	--	--	--	--	--	--	--	--	--
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals	--	--	--	--	--	--	--	--	--
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	--	--	--	--	--	--	--	--	--
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	--	--	--	--	--	--	--	--	--
c) Others	--	--	--	--	--	--	--	--	--
Non Resident Indians	--	--	--	--	--	--	--	--	--
Overseas Corporate Bodies	--	--	--	--	--	--	--	--	--
Foreign Nationals	--	--	--	--	--	--	--	--	--
Clearing Members	--	--	--	--	--	--	--	--	--
Trusts	--	--	--	--	--	--	--	--	--
Foreign Bodies	--	--	--	--	--	--	--	--	--
<b>Sub-total (B)(2):-</b>	--	--	--	--	--	--	--	--	--
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	--	--	--	--	--	--	--	--	--
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	--	--	--	--	--	--	--	--	--
<b>Grand Total (A+B+C)</b>	--	<b>10000</b>	<b>10000</b>	<b>100</b>	--	<b>10000</b>	<b>10000</b>	<b>100</b>	--

## ii) Shareholding of Promoters:

SNO.	Shareholders Name	Shareholding at the end of the year	
		No. of shares	% of total shares of the company
1.	IFCI LTD	7972	79.72
2.	AMREX MARKETING PRIVATE LIMITED	220	2.20
3.	ICICI BANK LTD	180	1.80
4.	MP STATE INDL.DEVE CORPORATION LTD	60	0.60
5.	MP LAGHU UDYOG LTD	420	4.20
6.	MP FINANCIAL CORPORATION LTD	60	0.60
7.	STATE BANK OF INDIA	320	3.20
8.	CENTRAL BANK OF INDIA	160	1.60
9.	PUNJAB NATIONAL BANK	160	1.60
10.	INDIAN BANK	160	1.60
11.	UNION BANK OF INDIA	32	0.32
12.	BANK OF BARODA	64	0.64
13.	UCO BANK	32	0.32
14.	BANK OF INDIA	160	1.60
<b>TOTAL</b>		<b>10000</b>	<b>100</b>

## (iii) Change in Promoters Shareholding

SNO.	Shareholders Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	IFCI LTD	7972	79.72	7972	79.72
2.	AMREX MARKETING PRIVATE LIMITED	220	2.20	220	2.20
3.	ICICI BANK LTD	180	1.80	180	1.80
4.	MP STATE INDL.DEVE CORPORATION LTD	60	0.60	60	0.60
5.	MP LAGHU UDYOG LTD	420	4.20	420	4.20



6.	MP FINANCIAL CORPORATION LTD	60	0.60	60	0.60
7.	STATE BANK OF INDIA	320	3.20	320	3.20
8.	CENTRAL BANK OF INDIA	160	1.60	160	1.60
9.	PUNJAB NATIONAL BANK	160	1.60	160	1.60
10.	INDIAN BANK	160	1.60	160	1.60
11.	UNION BANK OF INDIA	32	0.32	32	0.32
12.	BANK OF BARODA	64	0.64	64	0.64
13.	UCO BANK	32	0.32	32	0.32
14.	BANK OF INDIA	160	1.60	160	1.60
<b>TOTAL</b>		<b>10000</b>	<b>100</b>	<b>10000</b>	<b>100</b>

#### (iv) Shareholding pattern of top ten shareholders

(Other than Directors, Promoters & Holders of GDRs and ADRs) as on March 31, 2024 - Not Applicable

#### (v) Shareholding of Directors and Key Managerial Personnel:

S.N O.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	--	--	--	--
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	--	--	--	--
3	At the end of the year	--	--	--	--

#### **V INDEBTEDNESS** - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				

ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
* Addition				
* Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

As per Notification dated June 5, 2015, issued by the Ministry of Corporate Affairs, Government Companies are exempt from complying with the provisions of section 197 of the Companies Act, 2013, read with Rules made thereunder. Accordingly, your Company being a Government Company is exempt from disclosing the information required under the said section read with Rules made thereunder in the Board's Report.

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					

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Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

**Place: Bhopal**  
**Date: 03.09.2024**

**For and on behalf of the Board**  
**MPCON Limited**

**S/d**  
**Ashutosh Singla**  
**(DIN: 06646775)**  
**Managing Director**

**S/d**  
**Prasoon**  
**(DIN: 03599426)**  
**Director & Chairman**

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कार्यालय महानिदेशक लेखापरीक्षा,  
उद्योग एवं कॉर्पोरेट कार्य  
ए.जी.सी.आर. भवन, आई.पी. एस्टेट,  
नई दिल्ली-110 002



OFFICE OF THE DIRECTOR GENERAL OF AUDIT,  
INDUSTRY AND CORPORATE AFFAIRS  
A.G.C.R. BUILDING I.P. ESTATE,  
NEW DELHI-110 002

संख्या: एएमजी-II/MPCON/  
वार्षिक लेखा/(23-24)/24-25/221-22  
दिनांक: 17 SEP 2024

सेवा में,

अध्यक्ष,  
MPCON लिमिटेड,  
भूतल- 35, राजीव गाँधी भवन- 2,  
श्यामला हिल्स, भोपाल- 462 002

विषय: कंपनी अधिनियम 2013 की धारा 143 (6) (b) के अधीन 31 मार्च 2024 को समाप्त वर्ष के लिए MPCON लिमिटेड के वार्षिक वित्तीय लेखों पर भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

कंपनी अधिनियम 2013 की धारा 143(6) (b) के अंतर्गत 31 मार्च 2024 को समाप्त वर्ष के लिए MPCON लिमिटेड के वार्षिक लेखों पर उपरोक्त विषय संबंधित संलग्न पत्र अग्रेषित है।

भवदीया,

रस्तु ए-पंडा

(एस. आह्लादिनी पंडा)  
महानिदेशक लेखा परीक्षा  
(उद्योग एवं कारपोरेट कार्य)  
नई दिल्ली

संलग्नक:- यथोपरि

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA  
UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE  
FINANCIAL STATEMENTS OF MPCON LIMITED FOR THE YEAR ENDED 31  
MARCH 2024**

The preparation of the financial statements of MPCON Limited for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 14 August 2024 which supersedes their earlier report dated 26 April 2024.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of MPCON Limited for the year ended 31 March, 2024 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditor and is limited primarily to inquiries of the Statutory Auditor and company personnel and a selective examination of some of the accounting records. The Audit Report has been revised by the Statutory Auditor to give effects to two of my audit observations raised during supplementary audit.

In addition, I would like to highlight the following significant matters under Section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:

**A. Comments on Financial Position**

**Balance Sheet**

**Trade receivable (Note No-4)**

**Provision for Bad/Doubtful Debt: ₹232.98 lakh**

MPCON Limited (Company) signed (October 2015) Memorandum of Understanding (MoU) with the Odisha Skill Development Authority (OSDA) for undertaking Placement Linked Training for the Youth of the Odisha State. The MoU was renewed in July 2018.

The Company in this regard, booked (August 2016 to September 2019) an amount of ₹102.70 lakh as receivable from the OSDA. The OSDA released (October 2017 to March 2020) an amount of ₹28.09 lakh to the Company and refused (March 2020) release of further amount to MPCON stating that the Company had violated Clause Nos. 5(c&f) of the stated MoU. In view of this, the chances of recovery of remaining net amount of ₹69.58 lakh<sup>1</sup> is doubtful. Hence, a provision of ₹ 69.58 lakh should have been made in the books of accounts.

---

<sup>1</sup> ₹ 74.62 lakh receivable minus ₹ 5.04 lakh payable to Odisha State Employment mission

Audit, however, observed that the Company has made a provision of ₹17.39 lakh instead of ₹69.58 lakh. This has resulted in understatement of 'Provision for bad/doubtful debt' and overstatement of 'Profit' by ₹52.17 lakh<sup>2</sup> each.

**B. Significant Accounting Policies**

**Notes forming part of Balance Sheet**


As per the Government of India's amendment to Schedule-III of the Companies Act, 2013 applicable from 01 April 2021, in case of a company covered under Section 135 of the Companies Act 2013, the following shall be disclosed with regard to Corporate Social Responsibility (CSR) activities:-

- (i) amount required to be spent by the company during the year,
- (ii) amount of expenditure incurred,
- (iii) shortfall at the end of the year,
- (iv) total of previous years shortfall,
- (v) reason for shortfall,
- (vi) nature of CSR activities,
- (vii) details of related party transactions, e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,
- (viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.

Audit observed that the Company has spent ₹6.05 lakh on CSR during the year 2023-24 by contributing to the PM CARES Fund. However, the above disclosures were not made a part of the Notes to Accounts.

Hence, Notes to Accounts are deficient to that extent.

**For and on behalf of the  
Comptroller & Auditor General of India**

  
**(S. Ahladini Panda)**  
**Director General of Audit**  
**(Industry & Corporate Affairs)**  
**New Delhi**

Place: **New Delhi**

Date: **17 SEP 2024**

<sup>2</sup> ₹ 69.58 lakh minus ₹ 17.39 Lakh



**SECRETARIAL AUDIT REPORT****FORM NO. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2024****[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

**To,  
The Members,  
MPCON LIMITED  
CIN: U74140MP1979GOI001502  
Ground Floor, 35, Rajeev Gandhi, Bhawan Parisar-2,  
Shyamla Hills, Bhopal, MP 462002**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MPCON 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 our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company 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 Financial Year from April 01, 2023 to March 31, 2024. ('the year'/ 'audit period'/ 'period under review') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the Financial Year ended on 31<sup>st</sup> 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 there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable to the Company during the Audit Period)**
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) regulations, 2015; **(Not Applicable to the Company during the Audit Period)**

- b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable to the Company during the Audit Period)**
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not Applicable to the Company during the Audit Period)**
  - d) 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; **(Not Applicable to the Company during the Audit Period)**
  - e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**
  - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the Audit Period)**
  - g) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**
  - h) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**
  - i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**
  - j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period);**
  - k) The Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009 **(Not Applicable to the Company during the Audit Period)**
- vi) Compliances / processes / systems under other specific applicable Laws (as applicable to the Industry) to the Company are being verified on the basis of periodic Certificates under internal Compliance system submitted to the Board of Directors of the Company.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India; **(Complied with)**
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. **(Not Applicable to the Company during the Audit Period under review).**

**We further report that** during the year under review the Company has generally complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards mentioned above.

**We further report that during the Audit period under review:**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors including Nominee Directors as per the composition of Directors specified under the Articles of Association of the Company. The processes relating to changes in the composition of the Board of Directors that took place during the year were carried out in compliance with the provisions of the Act. The requirement to appoint the Independent Directors on the Board of the Company has become applicable to



the Company as at the end of the Financial Year 2022-23 as per the provisions of the Companies Act, 2013 but the Company due to pending finalization of the suitable candidates has not appointed the Independent Directors on the Board as per the applicable provisions of the Companies Act, 2013 till the end of the Financial Year.

- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally seven days in advance other than those held at shorter notice, 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 Meetings duly recorded and signed by the chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

**We further report that,** based on the information provided and the representation made by the Company there seems to be adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the period there were no other specific events/actions in pursuance of the above-referred laws, rules, regulations, guidelines etc. having a major bearing on the Company affairs.

**Place: Bhopal**  
**Date: 22.07.2024**

**For Piyush Bindal & Associates**  
**"Company Secretaries"**

**Piyush Bindal**  
**(Proprietor)**  
**FCS – 6749**  
**CP. No. 7442**  
**Peer Review Cert. No.:**  
**922/2020**  
**Firm's Registration No. S2012MP186400**  
**UDIN: F006749F000800291**

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

**Annexure-A**

**To,  
The Members,  
MPCON LIMITED  
CIN: U74140MP1979GOI001502  
Ground Floor, 35, Rajeev Gandhi, Bhawan Parisar-2,  
Shyamla Hills, Bhopal, MP 462002**

Our Secretarial Audit Report for the Financial Year ended March 31, 2024 of even date is to be read along with this letter.

**Management's Responsibility**

1. 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.

**Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We 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.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
6. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
7. We 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. We believe that the processes and practices followed provided a reasonable basis for our opinion.

**Place: Bhopal  
Date: 22.07.2024**

**For Piyush Bindal & Associates**

**"Company Secretaries"**

**Piyush Bindal  
(Proprietor)**

**FCS – 6749**

**CP. No. 7442**

**Peer Review Cert. No.:**

**922/2020**

**Firm's Registration No. S2012MP186400**

**UDIN: F006749F000800291**

## Annexure-IV

### MPCON LTD 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)

Statement showing details of related party transactions during the Twelve Months period ended on 31<sup>st</sup> March 2024

1. Details of contracts or arrangements or transactions not at arm's length basis – NIL
2. Details of material contracts or arrangement or transactions at arm's length basis

S. No.	Name of the Related Party	Nature of Relation	Nature of Transaction	Amount involved (DR/CR) (Rs. lakhs)	
				2022-24	2022-23
1.	IFCI LTD	Holding Company	1. Bills for project Consultancy	-	-
			2. Amount of Office premises Rent	-	-
			3. Travelling and other Expenses.	-	-
			4. Salary Reimbursement	-	-
			5. Manpower Outsourcing	364.41	159.38

S. No.	Name of the Related Party	Nature of Relation	Nature of Transaction	Amount involved (DR/CR)	
				2023-24	2022-23
2.	MPCON Finestar	Related Non-Profit Organization	Advances Repayment	1.49	0.35

Place: Bhopal  
Date: 03.09.2024

For and on behalf of the Board  
MPCON Limited

Ashutosh Singla  
(DIN: 06646775)  
Managing Director

Prasoon  
(DIN: 03599426)  
Director & Chairman

**MPCON LIMITED**  
**CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY**

**I. CONTEXT**

1.1 MPCON's vision is to be the leading integrated Technical and Management consulting organization across the entire spectrum of Business & Social sectors and be an influential partner in country's economic growth and development. Guided by this, MPCON Ltd. (MPCON) has been instrumental in social and economic development of the country. Being a socially responsible company, MPCON has always strived to conduct its business holistically and responsibly.

1.2 Broadly, CSR may be understood to be a process by which an organization thinks about and evolves its relationships with stakeholders for the common good, and demonstrates its commitment in this regard by suitable and strategically targeted activities. MPCON believes that socially responsible companies do not limit themselves to using resources to engage in activities that increase only their profits, instead, they use CSR to integrate economic, environmental and social objectives with the company's operations and growth.

1.3 Ministry of Corporate Affairs has notified section 135 and schedule VII of the Companies Act 2013 along with the Companies (Corporate Social Responsibility Policy) Rules, 2014 with effect from April 01, 2014. The companies on whom the provisions of CSR are applicable are contained in SubSection 1 of Section 135 of the Companies Act 2013. This CSR Policy of MPCON has been prepared pursuant to Section 135 of the Companies Act, 2013 and the notified CSR Rules, 2014 as amended from time to time. This CSR policy would serve as the referral document for all CSR activities of MPCON.

**II. CSR VISION AND OBJECTIVES****2.1. Vision Statement**

To foster sustainability, and being a responsible corporate citizen.

**2.2. Objectives**

The objective of MPCON's CSR Policy is to drive measurable change in the communities we work with and strive to create a positive impact through our initiatives on education & skill development, employment & technology incubation, rural development and health & sanitation, etc.

To pursue the above objectives and to carry out the CSR activities/programs, MPCON will either carry out the CSR activities on its own or entrust its CSR funds (as stated in para III below),

to MPCON FineStar or any other reputed NGOs with excellent track record of minimum 5 years in execution of CSR Projects.

### III. FINANCIAL RESOURCES

**3.1** MPCON with the approval of its Board of Directors, will make a budgetary allocation for CSR and Sustainability activities / projects every year. The budgetary allocation will be at least two percent of the average net profits of the company made during the three immediately preceding financial years.

For the purposes of this section "average net profit" shall be calculated in accordance with the provisions of section 198 of Companies Act, 2013.

**3.2** For the financial year 2023-24, 2% Net Profit calculations, in accordance with Section 135 of the Companies Act and the notified CSR Rules 2014 as per the attached CA certificate, are provided below:

**(In Rs. lacs)**

Year	Net Profit	Average of the three years profit	2 % of Net Profit Average
<b>2020-21</b>	136.00	302.49	6.05
<b>2021-22</b>	170.08		
<b>2022-23</b>	601.41		

The surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of MPCON Limited. CSR expenditure shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities carried out by MPCON CSR but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Companies Act, 2013.

#### IV. GOVERNANCE STRUCTURE

The Governance Structure for undertaking MPCON's CSR activities is as depicted and explained below:



The CSR Committee will monitor the execution of CSR activities approved by the Board of MPCON.

#### 4.1. ROLE OF BOARD OF DIRECTORS

In pursuance of Section 135 of the Companies Act, 2013, the Board of MPCON shall:

a) After taking into account the recommendations made by the Corporate Social Responsibility Committee, approve the Corporate Social Responsibility Policy for MPCON and disclose contents of such Policy in its report and also place it on the company's website, if any,

in such a manner as may be prescribed.

b) Ensure that the activities as are included in Corporate Social Responsibility Policy of the MPCON are undertaken by the Company.

c) The Board of MPCON shall ensure that the company spends, in every financial year, at least two percent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy, provided that the company shall give preference to the local area and the areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities.

If the company fails to spend such amount, the Board shall, in its report made under clause (o) of sub-section (3) of section 134 of Companies Act 2013, specify the reasons for not spending the amount.

#### **4.2 ROLE OF THE CSR COMMITTEE**

MPCON has constituted a Corporate Social Responsibility Committee of the MPCON consisting of the following personnel:

1. Shri Manoj Kumar Mishra – Chairman
2. Shri Chandra Prakash Hassani
3. Smt Reshma Khan
4. Shri Hirdesh Kumar Yadav
5. Shri Sunil Shrivastava
6. Shri Gurupreet Singh Minhas
7. Shri Ajay Rajak
8. Shri Mahesh Ratnawat

The Corporate Social Responsibility Committee shall:

- a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of Companies Act, 2013;
- b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a) above; and
- c) Monitor the Corporate Social Responsibility Policy of the company from time to time.
- d) Review the status of the CSR projects/programmes supported by MPCON with quarterly report to the Board of Directors of MPCON.

The CSR Committee will monitor the funds and its operations.

The CSR Committee will submit quarterly reports regarding the progress in the implementation of CSR and sustainability activities to the Board of MPCON for their information, consideration and necessary directions. For effective compliance, execution, supervision and reporting, the CSR Committee shall wherever necessary, conduct its operations in consultation with various Departments in MPCON.

#### **V. PLANNING AND STRATEGY**

MPCON shall endeavour to integrate its CSR and sustainability plans with the business plans and strategies.

## **5.1 CSR ACTIVITY AREAS**

The CSR activities shall be undertaken by MPCON, as per its stated CSR Policy, as projects or programs or activities (either new or ongoing), excluding the activities undertaken in pursuance of its normal course of business to implement the CSR mandate of MPCON.

MPCON, through CSR initiatives, may also collaborate with other companies for undertaking projects or programs or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programs in accordance with the notified CSR Rules 2014 and as amended from time to time.

CSR projects or programs or activities undertaken in India only shall amount to CSR Expenditure. The CSR projects or programs or activities that benefit only the employees of the company and their families shall not be considered as CSR activities in accordance with Section 135 of the Act.

MPCON may also build CSR capacities of their own personnel as well as those of their implementing agencies through Institutions with established track records of at least three financial years but such expenditure shall not exceed five(5%) percent of total CSR expenditure of the company in one financial year.

Contribution of any amount directly or indirectly to any political party under section 182 of the Act, shall not be considered as CSR activity.

As per the Schedule VII under Section 135 of the Companies Act, 2013, the following activities are allowed as a part of CSR activities by MPCON Limited:

- i. eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation, making available safe drinking water and environment sustainability;
- ii. promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- iii. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- iv. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water.
- v. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts.



- vi. Measures for the benefit of armed forces veterans, war widows and their dependents
- vii. Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympicsports.
- viii. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Caste, the Scheduled Tribes, other backward classes, minorities and women, including PM CARES fund (Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund')
- ix. Rural development projects.
- x. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
- xi. Slum area development.
- xii. Contribution to the Swachh Bharat Kosh set up by the Central Government for the promotion of sanitation and the Clean Ganga Fund set up by the Central Govt for rejuvenating of the river Ganga
- xiii. Disaster management, including relief, rehabilitation and reconstruction activities.

## **5.2. MPCON'S FOCUS AREAS & PRIORITY PROGRAMS, GEOGRAPHIC AREAS AND IMPLEMENTATION SCHEDULE**

### **A. Focus Areas & Priority Programs**

Efforts shall be made to take up high impact projects from the budget allocated for CSR and sustainability activities by creating physical infrastructure/asset for the benefit of society at large, However, while planning for any long term projects the estimated total cost of each project may be assessed and funds will be committed till the completion of the project in a phase wise manner as per milestones achieved. The performance of the CSR activities would be adjudged on the basis of their achievement of annual targets and the utilization of their annual budgets for the activities planned and the targets set for each year.

In the selection or choice of CSR and sustainability projects, MPCON shall avoid taking up ad hoc, one time, and philanthropic activities. However, contribution to the Prime Minister's National Relief Fund, Swachhta Kosh or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women would be considered a valid CSR activity.

MPCON may refrain from taking up activities which are clearly mandated to be performed by the Government and / or for which Central / State Government's schemes have been sanctioned, as it could result in unnecessary duplication. However, MPCON may supplement the efforts of the Government in deficit funding for achieving the targets / goals. In case, the earmarked funds for CSR are not utilized as per the envisaged plans for a particular financial year, CSR Committee, with the approval of the Board of Directors, can contribute the unutilized funds to the Prime Minister's National Relief Fund.

The priority areas for the year 2023-24 may be considered as provided in the table below:

MPCON Vision Element	Priority program/projects for 2023-24	Schedule VII area
<b>FOCUS AREAS</b>		
<b>Promote development of Human Capital</b>	Promoting education among children, employment enhancing vocational skills, skill development and livelihood enhancement projects etc.	(ii)
	Contributions or funds to technology incubators located in academic institutions which are approved by the Central Government.	(ix)
<b>Hunger, Malnutrition, Health and Sanitation</b>	Promoting midday meal programs in schools, may set-up kitchens, meal vending vehicles etc. Support and work on medical, health-related and sanitation projects etc	(i)
<b>Water Conservation</b>	Projects of rain water harvesting, protecting groundwater resources, sustainable methods of using groundwater resources, education outreach for same, waterless urinals etc	(i), (iv)
<b>Old age</b>	Setting up of old age homes, health care centres etc and related activities	(iii)
<b>Girl Child</b>	Setting up of adoption centres, homes for girl child, health care centres for girl child, vocational/higher education for girl child etc and related activities	(iii)
<b>OTHER THEME AREAS</b>		
<b>Promote development of rural areas &amp; sustainable development Activities</b>	Rural development projects with focus on renewable energy projects and rural digital services etc	(x)
	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water, including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of River Ganga	(iv)
<b>Promotion of Sports</b>	Training to promote rural sports, nationally recognised sports, paralympic sports & Olympic sports	(vii)
<b>Other welfare elements</b>	Any other areas under Schedule VII of Section 135 of Companies Act, 2013	

<b>Capacity Building</b>	As per Companies (CSR Policy) Rules 2014	
--------------------------	--	--

#### A. Geographic Areas

Companies Act specifies that company should give preference to the local area in selection of CSR activities. However, DPE Guidelines, inter alia state "CPSE which by the very nature of their business have no specific geographical area of commercial operations, may take up CSR activities/projects at any location of their choice in the country. MPCON may preferably take up CSR activities/Projects in the areas where MPCON is actively working and priority may be given to areas where MPCON has a presence by virtue of its offices for better monitoring and implementation purpose, but not necessarily.

#### B. Implementation Schedule

The implementation schedule for the identified programs during the FY 2023-24 may be considered as below:

Sl. No.	Implementation Phase
1	<b>Phase I:</b> Putting institutional implementation and monitoring mechanisms in place
2	<b>Phase II:</b> Identifying project/program implementation partners, soliciting and evaluating proposals, finalizing budget and requisite internal approvals
3	<b>Phase III:</b> Execution of all requisite implementation and monitoring agreements with implementation partners, if any and disbursement of funds
4	<b>Phase IV:</b> Commencement of project/program execution as proposed

### 5.3. MODALITIES OF EXECUTION

**A. Initial assessment**

Before taking any final decision on the selection of any CSR and sustainability project, a study maybe done to assess the needs of the intended beneficiaries for a realistic assessment of the resource inputs required for the expected level of social/economic/ environmental impact. The data and information collected through this study before the commencement of the project may be used in impact assessment after the completion of the project.

Such a study can include a baseline survey though not mandatory. A need assessment study may either be conducted through in-house expertise or can be conducted through an independent agency.

An illustrative list of details to be contained in evaluated projects is as under:

- a project context including the roles of other development factors
- key needs of the target beneficiaries
- project goals
- Key Performance Indicators (KPI's)
- project milestones for progress
- monitoring purposes
- activities and timelines to achieve the stated project goals
- budgets along with the basis for estimation
- progress reporting: content, frequency

All projects/proposals to be supported / executed under CSR shall be approved by the Board of Directors of MPCON.

**B. Due Diligence of Implementation Agencies**

While engaging or partnering with external agencies, care will be exercised in selecting only those specialized agencies which have the necessary capabilities and expertise to implement the CSR projects. The credentials of reliability, integrity and professional competence of such agencies will be verified. Funding to agencies with tax exemption may be preferred.

Implementation agencies, if any, would be approved by the CSR Committee followed by the approval of Board of MPCON, before disbursement of funds.

Any implementation partners being owned (partially or completely), managed by any MPCON employee or their immediate family members or any of the Directors, shall not be eligible for any funds.

## **VI. IMPLEMENTATION AND MONITORING**

Activities which are selected under CSR and sustainability agenda, as far as possible, shall be implemented in a project mode, which entails charting the stages of execution in advance through planned processes, with mobilisation of pre-estimated quantum of resources, and within the allocated budgets and prescribed timelines. It shall also assign clear responsibility and accountability of the designated officials / agencies who are entrusted with the task of implementation. Monitoring shall be done periodically. Monitoring mechanisms will also provide periodic feedbacks with recourse to mid-course correction in implementation, whenever required.

Actual disbursements shall be linked to the progress on the ground.

### **A) Evaluation and Impact Assessment**

For all the CSR activities of MPCON implemented by MPCON itself, MPCON FineStar or any other reputed NGOs, the evaluation may be assigned to an independent external agency or may be undertaken by MPCON directly. The ultimate test of the success of any CSR and sustainability activity / project is the social, economic or environmental impact thereof. Every CSR activity is planned and implemented with some anticipated impact on society or environment. It is against such perception and expectation of impact that the completed activity / project should be measured to ascertain the degree of its success, or failure. In fact, it is at the time of impact assessment that a well- documented and detailed baseline survey or need assessment study done at the commencement of the activity, comes in handy for comparison of data.

Impact assessment can be understood to be associated with accomplishment of set targets and goals at various stages of progress in implementation. While achievement of targets and expected outcomes can be a source of satisfaction, MPCON may try to get an assessment done of the social/economic/environmental impact of their CSR and sustainability activities after the same are completed.

## **VII. REPORTING AND DISCLOSURE**

## 7.1. Annual Reporting

The Board's Report of MPCON Ltd. for every financial year shall include an annual report on CSR activities.

## 7.1. Company Website

The Board of Directors of the MPCON shall, after taking into account the recommendations of the CSR Committee, approve the CSR Policy for the company and disclose contents of such policy in its report and the same shall be displayed on the company's website

**ANNEXURE-VI****ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)****ACTIVITIES****For Financial Year ended March 31, 2024****(Pursuant to Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014)****Brief outline on CSR Policy of the Company:**

MPCON Limited ("Company") is committed to its stakeholders i.e. government, shareholders, community, environment, employees and society – to conduct its business in a responsible manner that creates a sustained positive impact.

The CSR activities covered the following areas or subject as specified in VII of the Act:

1. Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women.
2. Contribution to incubators funded by Central Government or State Government or any 30 agency or Public Sector Undertaking of Central Government or State Government, and contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defence Research and Development Organization (DRDO), Department of Biotechnology (DBT)], Department of Science and Technology (DST), Ministry of Electronics and Information Technology) engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
3. Eradicating hunger, poverty and malnutrition, "promoting health care including preventive health care" and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
4. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
5. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
6. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.

7. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts.
8. Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows.
9. Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports.
10. Rural development projects.
11. Slum area development.  
Explanation: - For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.
12. Disaster management, including relief, rehabilitation and reconstruction activities.

## 1. Average net profits of the company for last three Financial Years (in INR):

Particulars	2022-23	2021-22	2020-21
Net Profit as per the Financial Statements	6,01,22,190.00	1,69,87,826.00	1,35,99,646.00
Add / Less: Adjustments as per Section 198	18,386.00	19,754.00	0.00
Adjusted Net Profit as per Section 198	6,01,40,576.00	1,70,07,580.00	1,35,99,646.00
Average Profit for Preceding 3 years			3,02,49,267.00
Minimum Amount of CSR Expense to be made (2% of Average Profit)			6,04,985.00

2. 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: NA
3. 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
4. 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 - Not applicable  
Average Net Profits of the Company as per Section 135(5): INRs. 3,02,49,267.00
- 5A. Prescribed CSR expenditure (two percent of the amount as above): INRs. 6,04,985.00/-
- 5B. Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
- 5C. Amount required to be set off for the financial year, if any: NIL
- 5D. Total CSR obligation for the Financial Year (5A+5B-5C): INRs. 6,04,985.00/-



**6. (a) CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year (INRs.)	Amount Unspent (INRs.)				
	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
6,04,985.00	0.00	NA	PM-CARES FUND	6,04,985.00	15.03.2024

**(b) Details of CSR amount spent against ongoing projects for the Financial Year:** The Company has not spent any amount against Ongoing Projects during Financial Year 2023-24.

**(c) Number of Other than Ongoing Projects for the Financial Year:** 1 (One)

**7. Details of CSR spent during the Financial Year (01.04.2023-31.03.2024)**

- a) Total amount to be spent for the Financial Year: INRs.6,04,985.00/-
- b) Amount unspent / (excess) spent for the Financial Year, if any: None
- c) Amount eligible for transfer to Unspent CSR Account for the FY as per Section 135(6): None
- d) Amount to be transferred to Fund specified in Schedule VII for the Financial Year (if total unspent for the Financial Year is greater than unspent for Ongoing projects): None

**8. Specify the reason(s) if the Company has failed to spend two per cent of the average net profit as per Section 135(5):** The Company is not having any unspent amount due during the period

**Responsibility Statement of the Board of Directors**

In accordance with the provisions of Section 135 of the Companies Act, 2013, and Companies (Corporate Social Responsibility) Rules, 2014, the Board of Directors confirms that the implementation and monitoring of CSR Policy is in compliance with the CSR objectives and policy of the Company

**Place: Bhopal**  
**Date: 03.09.2024**

**For and on behalf of the Board**  
**MPCON Limited**

**Ashutosh Singla**  
**(DIN: 06646775)**  
**Managing Director**

**Prasoon**  
**(DIN: 03599426)**  
**Director & Chairman**

## **Chapter 3**

### **Audited Financial Statement for the Financial Year 2023-24**

# **FINANCIAL STATEMENTS AS ON 31<sup>ST</sup> MARCH, 2024**

# Deepak Goyal & Associates

## Chartered Accountants

H.O : F-02, Sanchi Complex, Opp. Board Office, Shivaji Nagar, BHOPAL - 462016 Ph.: 0755-2572240, email : d\_goyal99@hotmail.com

### REVISED INDEPENDENT AUDITORS' REPORT

TO,  
THE MEMBERS OF MPCON Limited

#### Report on the Financial Statements

Our Audit Report dated 26<sup>th</sup> April 2024 on accounts for the year ended 31<sup>st</sup> March 2024 has been revised to give effect to the observation made by the Comptroller and Auditor General of India in the supplementary audit carried by them u/s 143(6)(a) of the Companies Act 2013 in regards to Audit Trail under Rule 11(g), the same is reported herewith in the revised report.

We have audited the accompanying financial statements of **MPCON Limited**, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2024, the Statement of Profit and Loss, for the year that ended, and a summary of the significant accounting policies and other explanatory information.

#### Auditor's Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2024, and its Profit for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of the most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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.

S. No.	Key Audit Matter	Auditor's Response
1.	Tender Policy	As per Annexure "C"
2.	Revenue Recognition	As per Annexure "C"
3.	MSME	As per Annexure "C"





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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the 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 standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read such other information as and when made available to us and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance

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.

### Emphasis of Matter

We draw attention to the following Notes to the financial statement, which describes:

- a) Note 23 of the financial statement a sum of Rs. 13.13 Lacs is shown under the head other current liabilities are the amount which is received by the company during the financial year but the same has been unidentified by the company from whom the amount has been received.
- b) Note 39 of the financial statements, which describe the uncertainty, related to the outcome of the Profit/Loss, suit filed against the company.
- c) Note 16(1) of the financial statement, the sum of Rs 39.12 Lacs related to other current assets (income tax refundable) of the previous financial year 2022-23 has been directly adjusted from reserve and surplus.
- d) Please refer the Annexure-C

### Responsibility of Management and Those Charged with Governance (TCWG)

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the





preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

## Auditor's Responsibility

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

As part of an audit in accordance with SAs, we exercise professional judgement 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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





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

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

### Report on Other Legal and Regulatory Requirements

This report includes a statement "**Annexure A**" on the matters specified in paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India, in terms of sub-section 11 of section 143 of the Companies Act, 2013 to the extent its is applicable to the company.

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, and 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 Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on **31<sup>st</sup> March 2024** taken on record by the Board of Directors, none of the directors is disqualified as **31<sup>st</sup> 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**".
- (g) With respect to the matter to be included in the Auditor's report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.





- (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, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
  
(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
  
(c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
  - v. The company has declared or paid the interim and final dividend of Rs 100.00 Lacs for the financial year 2023-24.
  - (i) Based on our examination which included test checks, the Corporation has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.





As We have conducted our audit in accordance with the direction & sub-directions issued by the C&AG of India under Section 143(5) of the Companies Act 2013 and report of our audit and Compliance Certificate is annexed to our audit report. Also, the answers to the questions mentioned in the report under section 143(5) of Companies Act, 2013 for the year ended 31<sup>st</sup> March 2024 are given below:

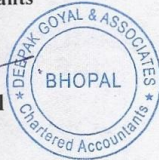
01.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the company has system in place to process all the accounting transactions through IT system. The company does not have any accounting transaction outside IT System.
02.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	No, the company has not taken any loan of any nature during the year under audit, hence reply of this point is not application.
03.	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	Yes, funds received /receivable for specific schemes from Central/State Government or it's agencies were properly accounted for /utilized as per its terms and conditions, No deviation noticed during the test check of audit.

For Deepak Goyal and Associates  
 Chartered Accountants  
 FRN : 006749C

CA Deepak Goyal  
 Partner

M.No. : 075634

UDIN : 24075634 BKH BCN 7697



Place : Bhopal  
 Date : 14<sup>th</sup> August 2014



**“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of MPCON Limited.**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.**

We have audited the internal financial controls over financial reporting of MPCON Limited as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and operating effectiveness of internal control based on the assessed risk. The procedures selected depend upon on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

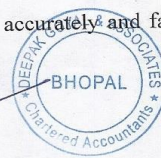
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

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

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

*Tejpal*





(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**

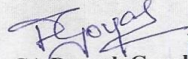
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 Deepak Goyal and Associates**  
Chartered Accountants

FRN : 006749C



**CA Deepak Goyal**  
Partner

M.No. : 075634

UDIN : 24075634 BKH BCN 7694



Place : Bhopal

Date : 14<sup>th</sup> August 2024

# 45<sup>TH</sup> Annual Report 2023-24



MPCON LIMITED

CIN : U74140MP1979GOI001502

Regd. Office: GF - 35, Rajeev Gandhi Bhawan - 2, Shyamla Hills, Bhopal, M.P. - 462 002 (IN)

## BALANCE SHEET As at 31st March 2024

		(Amount in lacs)	
Particulars	Note No.	As at 31st March 2024	As at 31st March 2023
<b>ASSETS</b>			
<b>1. Non - Current Assets</b>			
a. Property, Plant and Equipment	1	10.76	13.10
b. Investment property	2	-	-
c. Other Intangible Assets	3	0.00	0.14
d. Financial Assets			
i. Trade Receivables	4	626.63	734.06
ii. Others (BANK DEPOSITS > 12 MONTHS)	5	764.58	140.00
e. Deferred Tax Assets (Net)	18	1.18	-
f. Other Non - Current Assets	7	-	-
		<b>1,403.14</b>	<b>887.29</b>
<b>2. Current Assets</b>			
a. Financial Assets			
i. Investments	8	-	-
ii. Trade Receivables	9	8.32	0.19
iii. Cash and cash equivalents	10	1,052.93	719.71
iv. Short Term Deposit & Advances	11	193.16	150.08
v. Others	12	234.40	159.22
c. Current Tax Assets (Net)	13	101.77	122.51
d. Other Current Assets	14	12.69	31.43
		<b>1,603.27</b>	<b>1,183.24</b>
<b>TOTAL ASSETS</b>		<b>3,006.41</b>	<b>2,070.53</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
a. Equity Share Capital	15	100.00	100.00
b. Other Equity	16	1,448.37	1,002.41
		<b>1,548.37</b>	<b>1,102.41</b>
<b>LIABILITIES</b>			
<b>1. Non - Current Liabilities</b>			
a. Financial Liabilities			
i. Trade Payables	22	555.24	553.87
ii. Other Financial Liabilities	17	-	-
c. Deferred Tax Liabilities (Net)	18	-	0.78
d. Other Non - Current Liabilities	19	-	-
		<b>555.24</b>	<b>554.65</b>
<b>2. Current Liabilities</b>			
a. Financial Liabilities			
i. Trade Payables	20	749.45	84.29
ii. Other Financial Liabilities	21	68.67	96.21
b. Other Current Liabilities	23	84.68	231.36
c. Provisions	24	-	1.51
d. Current Tax Liabilities (Net)	37	-	-
		<b>902.80</b>	<b>413.47</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,006.41</b>	<b>2,070.53</b>

As per our report of even date attached  
For: Deepak Goyal & Associates  
CHARTERED ACCOUNTANTS  
FRN 006749C

CA Deepak Goyal  
PARTNER  
M.No. 075634  
UDIN : 24075634-BK-HBB-T331

Date : 26.04.2024  
Place : Bhopal

FOR AND ON BEHALF OF THE BOARD

(ASHUTOSH SINGLA)  
DIN : 06646775  
MANAGING DIRECTOR

(PRASOON)  
DIN : 03599426  
CHAIRMAN



## MPCON LIMITED

CIN : U74140MP1979GOI001502

Regd. Office: GF - 35, Rajeev Gandhi Bhawan - 2, Shyamla Hills, Bhopal, M.P. - 462 002 (IN)

### STATEMENT OF PROFIT AND LOSS for the year ended 31st March 2024

(Amount in lacs)			
Particulars	Note No.	For the Year ended 31st March 2024	For the Year ended 31st March 2023
<b>CONTINUING OPERATIONS</b>			
Income			
Revenue from Operations	25	23,659.19	17,883.45
Other Income	26	47.49	76.21
<b>Total Income</b>		<b>23,706.69</b>	<b>17,959.65</b>
Expenses			
Employee benefit expenses	27	264.60	225.50
Finance Costs	28	-	-
Depreciation and Amortization expenses	29	4.65	4.23
Other Expenses	30	22,591.35	17,125.50
<b>Total Expenses</b>		<b>22,860.59</b>	<b>17,355.23</b>
<b>Profit / (Loss) before exceptional items and tax</b>		<b>846.10</b>	<b>604.42</b>
Exceptional Items/Prior Period Items	32	-	(3.20)
<b>Profit / (Loss) before tax</b>		<b>846.10</b>	<b>601.22</b>
Tax Expense			
1. Current Tax		258.47	156.32
2. Deferred Tax		1.95	3.45
<b>Profit / (Loss) for the period from continuing operations (A)</b>		<b>589.58</b>	<b>441.45</b>
<b>DISCONTINUING OPERATIONS</b>			
<b>Profit / (Loss) for the period from discontinued operations (B)</b>		<b>-</b>	<b>-</b>
<b>PROFIT / (LOSS) FOR THE PERIOD (A + B)</b>		<b>589.58</b>	<b>441.45</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
A. i. Items that will not be reclassified to profit or loss	31		
a. Actuarial Gain / (Loss)		(6.24)	12.65
ii. Tax Effect of (i) above		(1.74)	3.28
<b>Other Comprehensive Income for the year, net of tax (C)</b>		<b>(4.50)</b>	<b>9.37</b>
<b>Total Comprehensive Income for the year (A + B + C)</b>		<b>585.08</b>	<b>450.83</b>
<b>Earnings per equity share in Rs. (for continuing and discontinued operations)</b>			
1. Basic		5,851.00	4,508.00
2. Diluted		5,851.00	4,508.00

As per our report of even date attached

For: Deepak Goyal & Associates

CHARTERED ACCOUNTANTS

FRN 006749C

*Deepak Goyal*  
CA Deepak Goyal  
PARTNER  
M.No.075634  
UDIN : 240756348KH88T3731



FOR AND ON BEHALF OF THE BOARD

*Ashutosh Singla*  
(ASHUTOSH SINGLA)  
DIN : 06646775  
MANAGING DIRECTOR

*Prasoon*  
(PRASOON)  
DIN : 03599426  
CHAIRMAN

Date : 26.04.2024  
Place : Bhopal





# 45<sup>TH</sup> Annual Report 2023-24



MPCON LIMITED

CIN : U74140MP1979GOI001502

Regd. Office: GF - 35, Rajeev Gandhi Bhawan - 2, Shyamla Hills, Bhopal, M.P. - 462 002 (IN)

## STATEMENT OF CHANGES IN EQUITY for the year ended 31st March 2024

### A. EQUITY SHARE CAPITAL

i. Current Reporting Period 01/04/2023 to 31/03/2024

(Amount in lacs)

Balance at the beginning of the current reporting period as on 01/04/2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
100.00	0.00	100.00	0.00	100.00

(2) Previous reporting period

Balance at the beginning of the previous reporting period as on 01/04/2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
100.00	0.00	100.00	0.00	100.00

As per our report of even date attached

For: Deepak Goyal & Associates

CHARTERED ACCOUNTANTS

FRN 006749C

CA Deepak Goyal

PARTNER

M.No.075634

UDIN: 24075634BKH88T3731

Date : 26.04.2024

Place : Bhopal

FOR AND ON BEHALF OF THE BOARD

AS

(ASHUTOSH SINGLA)

DIN : 06646775

MANAGING DIRECTOR

Prasoon

(PRASOON)

DIN : 03599426

CHAIRMAN





# 45<sup>TH</sup> Annual Report 2023-24



## MPCON LIMITED

CIN : U74140MP1979GOI001502

Regd. Office: GF - 35, Rajeev Gandhi Bhawan - 2, Shyamla Hills, Bhopal, M.P. - 462 002 (IN)

### STATEMENT OF CASH FLOWS for the year ended 31st March 2024

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Income Tax from Continuing Operations	846.10	601.22
Other Comprehensive Income	(6.24)	12.65
Discontinuing Operations		
Profit before Income Tax including discontinued operations	839.86	613.88
Adjustments For :		
Depreciation and Amortization Expense	4.65	4.23
Profit on Sale of Fixed Assets		
Investing Income classified as Investing Cash Flows	(48.55)	(24.12)
Bad Debts Written off		
Interest on Preference Shares		
Fair Value Changes through Profit and Loss		
Finance Lease Receivable and Liability Changes		
Deferred Income		
Actuarial Adjustments		
Operating Profit before working capital changes	800.96	593.98
Change in operating assets and liabilities, net of effects from purchase of controlled entities and sale of subsidiaries :		
Decrease / (Increase) : Financial Assets	(643.56)	157.29
Decrease / (Increase) : Current Tax Assets	20.75	(1.57)
Decrease / (Increase) : Other Current Assets	62.39	(5.78)
Increase / (Decrease) : Financial Liabilities	638.98	(14.34)
Increase / (Decrease) : Other Current Liabilities	(146.68)	43.92
Increase / (Decrease) : Non current Liabilities	(39.12)	(63.67)
Increase / (Decrease) : Provisions	(1.61)	(9.77)
Cash Generated from Operations	692.12	700.07
Income Taxes Paid	(256.73)	(159.60)
Net Cash inflow / (outflow) from Operating Activities (A)	435.39	540.47
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest Income from FDRs		
Purchase of Property, Plant & Equipment	(2.17)	(2.55)
Sale of Property, Plant & Equipment		0.23
Net Cash inflow / (outflow) from Investing Activities (B)	(2.17)	(2.33)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend Paid to Equity Shareholders	(100.00)	(130.00)
Dividend Distribution Tax Paid		
Net Cash inflow / (outflow) from Financing Activities (C)	(100.00)	(130.00)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	333.22	408.14
Cash and Cash Equivalents at the Beginning of the year	719.71	311.57
Cash and Cash Equivalents at the end of the year (D)	1,052.93	719.71
<b>Reconciliation of Cash and Cash Equivalents at the end of the year</b>		
Cash on Hand	0.26	0.19
Cheques / Drafts on Hand		
Balances in Current / Savings Accounts with Banks	1,031.62	314.73
Balances in Deposit Accounts	21.05	404.78
Total Cash and Cash Equivalents at the end of the year	1,052.93	719.71
Out of (D), significant cash and cash equivalent balances held by the entity that are not available for use		
Non Cash Financing and Investing Activities		

Summary of Significant Accounting Policies and Other Explanatory Information in Notes

As per our report of even date attached

For: Deepak Goyal & Associates

CHARTERED ACCOUNTANTS

FRN: 006749C

CA Deepak Goyal

PARTNER

M.No.075634

UDIN: 240756348KHBT3731

Date : 26.04.2024

Place : Bhopal

FOR AND ON BEHALF OF THE BOARD

(ASHUTOSH SINGLA)

DIN : 06646775

MANAGING DIRECTOR

(PRASOON)

DIN : 03599426

CHAIRMAN





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## MPCON LIMITED

CIN : U74140MP1979GOI001502

Regd. Office: GF - 35, Rajeev Gandhi Bhawan - 2, Shyamla Hills, Bhopal, M.P. - 462 002 (IN)

Ageing for the year ended 31st March 2024

Trade Receivable - Non Current Ageing Schedule						
S. No.	Particulars	Outstanding for following periods from due date of Payment				
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
(i)	Undisputed Trade receivables - considered good				1.72	857.89
(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					

Trade Receivable - Current Ageing Schedule						
S. No.	Particulars	Outstanding for following periods from due date of Payment				
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
(i)	Undisputed Trade receivables - considered good	8.29	0.04	0.00	0.00	0.00
(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					

Trade Payables ageing schedule					
S. No.	Particulars	Outstanding for following periods from due date of payment			
		Less than 1 year	1-2 years	2-3 years	More than 3 years
(i)	MSME	125.95	-	-	-
(ii)	Others	623.50	13.39	48.68	493.17
(iii)	Disputed dues - MSME				
(iv)	Disputed dues - Others				

Shareholding of Promoters				
Shares held by promoters at the end of the year				% Change during the year***
S. No	Promoter name	No. of Shares**	% of total shares	
1	IFCI Limited	7,972	79.72%	NIL
Total				

\*Promoter here means promoter as defined in the Companies Act, 2013.

\*\* Details shall be given separately for each class of shares

\*\*\* percentage change shall be computed with respect to the number at the beginning of the year or if issued during the year for the first time then with respect to the date of issue.;



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MPCON LIMITED  
Regd. Office: GF - 35, Rajeev Gandhi Bhawan - 2, Shyamla Hills, Bhopal, M.P. - 462 002 (IN)  
NOTES FORMING PART OF BALANCE SHEET

As at 31st March 2024

Ratios							
Name of Ratio	Formula	Numerator for Period ended on 31st Mar. 2024	Denominator for Period ended on 31st Mar. 2024	Ratios		Change in Ratio (in %)	Explanation (if change is more than 25%)
				Period ended on 31st Mar. 2024	Period ended on 31st Mar. 2023		
(a) Current Ratio,	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	1,603.27	902.80	1.78	2.86	-38%	Due to increase in Trade Payables.
(b) Debt-Equity Ratio	$\frac{\text{Debt}}{\text{Equity}}$	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(c) Debt Service Coverage Ratio,	$\frac{\text{Net Operating Income}}{\text{Total Debt Service}}$	N.A.	NA	NA	NA	N.A.	N.A.
(d) Return on Equity Ratio, (at CHO)	$\frac{\text{Net Profit after interest, tax and preference}}{\text{Equity Capital}}$	585.08	1548.37	0.38	0.41	-8%	
(e) Inventory turnover ratio,	$\frac{\text{Cost of Goods Sold}}{\text{Average Inventory}}$	NA	-	NA	-	NA	NA
(f) Trade Receivables turnover ratio,	$\frac{\text{Sales}}{\text{Average Accounts Receivable}}$	23659.19	684.60	34.56	26.74	66.63	Due to Increase in Turnover.
(g) Trade payables turnover ratio,	$\frac{\text{Cost of Goods Sold (cost of)}}{\text{Average Accounts payable}}$	-	749.45	N.A.	-	N.A.	N.A.
(h) Net capital turnover ratio,	$\frac{\text{Net Sales}}{\text{Capital Employed}}$	23,659.19	1,548.37	15.28	16.21	-6%	N.A.
(i) Net profit ratio,	$\frac{\text{Net Profit}}{\text{Sales}}$	585.08	23,659.19	0.02	0.03	-2%	N.A.
(j) Return on Capital employed,	$\frac{\text{Earning Before Interest and Tax (EBIT)}}{\text{Total Capital Employed}}$	841.60	1,548.37	0.54	0.55	-2%	N.A.
(k) Return on investment	$\frac{\text{Net profit after tax} \times 100}{\text{Total assets}}$	585.08	3,006.41	19.46%	21.77%	-11%	N.A.



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MPCON LIMITED

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Regd. Office: GF - 35, Rajeev Gandhi Bhawan - 2, Shyamla Hills, Bhopal, M.P. - 462 002 (IN)

## NOTES FORMING PART OF BALANCE SHEET As at 31st March 2024

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 1	<b>PROPERTY PLANT AND EQUIPMENT</b>		
	Gross Carrying Value		
	Opening Balance		
	a. Furniture and Fixtures	34.62	34.84
	b. Vehicles	10.25	10.25
	c. Office Equipment	52.20	49.95
	d. Others	10.18	9.88
		107.25	104.92
	Additions / (Sale) during the period		
	a. Furniture and Fixtures	0.00	(0.23)
	b. Vehicles	0.00	0.00
	c. Office Equipment	1.66	2.24
	d. Others	0.51	0.31
		2.17	2.33
	Closing Balance		
	a. Furniture and Fixtures	34.62	34.62
	b. Vehicles	10.25	10.25
	c. Office Equipment	53.86	52.20
	d. Others	10.69	10.18
		109.42	107.25
	<b>Accumulated Depreciation</b>		
	Opening Balance		
	a. Furniture and Fixtures	27.23	24.86
	b. Vehicles	9.88	9.88
	c. Office Equipment	49.77	49.64
	d. Others	7.27	5.97
		94.15	90.35
	Depreciation for the period		
	a. Furniture and Fixtures	2.30	2.37
	b. Vehicles	0.00	0.00
	c. Office Equipment	1.28	0.57
	d. Others	0.92	0.86
		4.50	3.81
	Closing Balance of Accumulated Depreciation		
	a. Furniture and Fixtures	29.53	27.23
	b. Vehicles	9.88	9.88
	c. Office Equipment	51.05	50.21
	d. Others	8.20	6.83
		98.66	94.15
	<b>LEASEHOLD PROPERTY PLANT AND EQUIPMENT</b>		
	Gross Carrying Value		
	Opening Balance		
	a. Land	0.00	0.00
		0.00	0.00
	Additions / (Sale) during the period		
	a. Land	0.00	0.00
		0.00	0.00
	Closing Balance		
	a. Land	0.00	0.00
		0.00	0.00
	<b>Accumulated Depreciation</b>		
	Opening Balance		
	a. Land	0.00	0.00
		0.00	0.00
	Depreciation for the period		
	a. Land	0.00	0.00
		0.00	0.00
	Closing Balance of Accumulated Depreciation		
	a. Land	0.00	0.00
		0.00	0.00
	<b>Net Carrying Value of Property, Plant and Equipment</b>	<b>10.76</b>	<b>13.10</b>



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## MPCON LIMITED

CIN : U74140MP1979GOI001502

Regd. Office: GF - 35, Rajeev Gandhi Bhawan - 2, Shyamla Hills, Bhopal, M.P. - 462 002 (IN)

### NOTES FORMING PART OF BALANCE SHEET As at 31st March 2024

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 2	INVESTMENT PROPERTY		
	Gross Carrying Value		
	Opening Balance		
	Additions / (Sale) during the period		
	Closing Balance	0.00	0.00
	Accumulated Depreciation		
	Opening Balance		
	Depreciation for the period		
	Closing Balance of Accumulated Depreciation	0.00	0.00
	Net Carrying Value	0.00	0.00

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 3	OTHER INTANGIBLE ASSETS		
	Gross Carrying Value		
	Opening Balance		
	a. Computer Software	1.27	1.27
		1.27	1.27
	Additions / (Sale) during the period		
	a. Computer Software	0.00	0.00
		0.00	0.00
	Closing Balance		
	a. Computer Software	1.27	1.27
		1.27	1.27
	Accumulated Amortization		
	Opening Balance		
	a. Computer Software	1.13	0.70
		1.13	0.70
	Amortization for the period		
	a. Computer Software	0.14	0.42
		0.14	0.42
	Closing Balance of Accumulated Depreciation		
	a. Computer Software	1.27	1.13
		1.27	1.13
	Net Carrying Value	0.00	0.14

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 4	NON - CURRENT TRADE RECEIVABLES		
	a. Secured Considered Good	-	-
	b. Unsecured Considered Good		
	i. Due over 12 months but less than 36 months	1.72	48.30
	ii. Other Trade Receivables more than 36 months	857.89	835.75
		859.60	884.06
	c. Doubtful		
	Gross Non - Current Trade Receivables	859.60	884.06
	Less : Provision for Bad / Doubtful Debts (Expected Credit Loss)	232.98	150.00
		232.98	150.00
	Net Non - Current Trade Receivables	626.63	734.06

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 5	OTHER FINANCIAL ASSETS		
	Bank deposits >12 months	764.58	140.00
		764.58	140.00





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## MPCON LIMITED

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### NOTES FORMING PART OF BALANCE SHEET As at 31st March 2024

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 6	DEFFERED TAX ASSETS (NET)		
	a. Deferred Tax Assets on account of		
	i. Due to depreciation	0.00	0.00
	ii. Others	0.00	0.00
		0.00	0.00
	Deffered tax liabilities on account of		
	i. Due to depreciation	0.00	0.00
	ii. Others	0.00	0.00

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 7	OTHERS NON CURRENT ASSETS		
		0.00	0.00

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 8	CURRENT INVESTMENTS		
	a. Investments in Equity Instruments		
	b. Investments in Preference Shares		
		0.00	0.00
	Aggregate amount of Quoted Investments	0.00	0.00
	Market Value of Quoted Investments	0.00	0.00
	Aggregate amount of Unquoted Investments	0.00	0.00
	Market Value of Unquoted Investments	0.00	0.00
	Aggregate amount of Impairment in value of investments	0.00	0.00

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 9	CURRENT TRADE RECEIVABLES		
	a. Secured Considered Good		
		0.00	0.00
	b. Unsecured Considered Good		
	i. Due over 6 months	0.04	0.01
	ii. Other Trade Receivables	8.29	0.18
		8.32	0.19
	c. Doubtful		
		0.00	0.00
	Gross Current Trade Receivables	8.32	0.19
	Less : Provision for Bad / Doubtful Debts (Expected Credit Loss)	0.00	0.00
	Net Current Trade Receivables	8.32	0.19

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## MPCON LIMITED

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### NOTES FORMING PART OF BALANCE SHEET

As at 31st March 2024

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 10	CASH AND CASH EQUIVALENTS		
	a. Balances with Banks	1031.62	314.75
		1031.62	314.73
	b. Cheques and Drafts on Hand	0.00	0.00
		0.00	0.00
	c. Cash on Hand	0.26	0.19
		0.26	0.19
	d. Others		
	i. Deposits with maturity less than 3 months	0.00	220.00
	ii. Deposits with maturity more than 3 months but less than 12 months	0.00	164.78
	iii. Deposits with maturity more than 12 months		0.00
	iv. Fixed Deposits kept as Security Deposits	21.05	20.00
		21.05	404.78
		1052.93	719.71

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 11	SHORT TERM DEPOSITS AND ADVANCES		
	a. Sundry Deposits and EMDs		
	i. Secured, considered good	0.00	0.00
	ii. Unsecured, considered good	132.06	96.98
	iii. Doubtful		0.00
		132.06	96.98
	b. Loans to related parties		
		-	-
	c. Other Advances		
	i. Secured, considered good	0.00	0.00
	ii. Unsecured, considered good	61.10	53.09
	iii. Doubtful	0.00	0.00
		61.10	53.09
		193.16	150.07

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 12	OTHER CURRENT ASSETS		
	a. Advances to MPCON FINESTAR	0.00	0.00
	b. Interest Accrued on Deposits	26.88	27.27
	c. Income Tax Refund Receivable	207.53	131.94
		234.40	159.22

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 13	CURRENT TAX ASSETS		
	a. Advance Tax	0.00	0.00
	b. Tax Deducted at Source	360.24	278.85
	c. MAT Credit Entitlement	0.00	0.00
	Less : Provision for Tax	258.47	156.32
		101.77	122.53

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 14	OTHERS CURRENT ASSETS		
	a. Capital Advances	0.00	0.00
		0.00	0.00
	b. Advances Other than Capital Advances		
	i. Security Deposits	0.00	0.00
	ii. Advances to related parties	0.00	0.00
	iii. Other Advances		
	1. Prepaid expenses	0.00	0.04
	2. Leave Encashment Excess provision	3.32	12.84
	3. Gratuity Excess provision	4.58	
		7.90	12.88
	c. Others		
	1. Cash Ledger Balance of GST	-2.86	17.08
	2. TDs on GST Receivable	2.65	0.46
	3. GST Input Tax Credit	5.00	1.13
		4.79	18.66
		12.69	31.53

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 15	EQUITY		
	Authorized Share Capital		
	10,000 (Previous year - 10,000) Equity Shares of Rs.1000/- each	100.00	100.00
		100.00	100.00
	Issued Share Capital		
	10,000 (Previous year - 10,000) Equity Shares of Rs.1000/- each	100.00	100.00
		100.00	0.00
	Subscribed Share Capital		
	10,000 (Previous year - 10,000) Equity Shares of Rs.1000/- each	100.00	100.00
		100.00	100.00
	Paid Up Share Capital		
	Equity Share Capital		
	10,000 (Previous year - 10,000) Equity Shares of Rs.1000/- each	100.00	100.00
		100.00	100.00
	Balance at the end of the reporting period	100.00	100.00



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### NOTES FORMING PART OF BALANCE SHEET As at 31st March 2024

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 16	OTHER EQUITY		
	Share application money pending allotment	0.00	0.00
	Equity component of other Financial Instruments	0.00	0.00
	Reserve and Surplus		
	Retained Earnings	1435.20	984.74
	General Reserve	6.00	6.00
	Other Comprehensive Income	7.17	11.67
		<b>1448.37</b>	<b>1002.41</b>

#### Note No. 16 (i) Retained Earnings

Particulars	As at 31st March 2024	As at 31st March 2023
Opening Balance	984.74	736.95
Net Profit for the period	589.58	441.45
Dividends distributed to Equity Shareholders (Rs. 1300 per Equity Share)	(100.00)	(130.00)
Dividend Distribution Tax Paid	0.00	0.00
Other Assets Written Off	(39.12)	(63.67)
Items of other comprehensive income recognised directly in retained earnings		
Remeasurements of post - employment benefit obligations, net of taxes	(4.50)	12.65
Closing Balance	<b>1435.20</b>	<b>984.74</b>

#### Note No. 16 (ii) General Reserve

Particulars	As at 31st March 2024	As at 31st March 2023
Opening Balance	6.00	6.00
Addition / Reduction during the year	-	-
Closing Balance	<b>6.00</b>	<b>6.00</b>

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 17	OTHER FINANCIAL LIABILITIES		
	a. Deferred Income from Deposits	0.00	0.00
		<b>0.00</b>	<b>0.00</b>

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 18	DEFERRED TAX LIABILITIES (NET)		
	a. Deferred Tax Liabilities on account of		
	i. Due to depreciation	(0.46)	(0.24)
	ii. Others	(0.72)	1.02
		<b>(1.18)</b>	<b>0.78</b>
	b. Deferred Tax Assets on account of		
	i. Due to depreciation	0.00	0.00
	ii. Others	0.00	0.00
		<b>(1.18)</b>	<b>0.78</b>

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 19	OTHER NON CURRENT LIABILITIES		
	a. Deferred Income	0.00	0.00
	b. Rent Received in Advance	0.00	0.00
		<b>0.00</b>	<b>0.00</b>



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## MPCON LIMITED

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### NOTES FORMING PART OF BALANCE SHEET As at 31st March 2024

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 20	<b>CURRENT TRADE PAYABLES</b>		
	a. Micro , Small and Medium enterprises	125.95	0.00
	b. Trade Payable	598.78	8.93
	Due over 6 months but less than 1 Yr.	24.73	75.36
		<b>749.45</b>	<b>84.29</b>

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 21	<b>OTHER FINANCIAL LIABILITIES</b>		
	Security Deposits Payable	68.67	96.21
		<b>68.67</b>	<b>96.21</b>

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 22	<b>NONCURRENT TRADE PAYABLES</b>		
	a. Micro , Small and Medium enterprises		
	b. Trade Payable		
	i. Due over 12 months but less than 36 months	62.07	87.53
	ii. Other Trade Payable	493.17	466.34
		<b>555.24</b>	<b>553.87</b>

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 23	<b>OTHER CURRENT LIABILITIES</b>		
	a. Advances Received	27.33	48.64
	b. Advance received for other training	34.13	70.99
	c. Statutory Dues	0.00	0.00
	i. Gratuity Payable	0.00	0.00
	ii. Employer's PF Payable	0.75	0.91
	iii. Employees PF Payable	0.75	0.91
	iv. Employees Income Tax (TDS) Payable	0.28	1.31
	v. Employees LIC Payable	0.00	0.00
	v. Employees Professional Tax Payable	0.02	0.04
	vi. Goods & Service Tax TDS Payable	10.72	52.27
	vii. Other TDS Payable	10.70	56.30
	d. Others Dividend Payable	0.00	0.00
		<b>84.68</b>	<b>231.36</b>

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 24	<b>SHORT TERM PROVISIONS</b>		
	Gratuity	0.00	1.61
		<b>0.00</b>	<b>1.61</b>



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## MPCON LIMITED

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### NOTES FORMING PART OF BALANCE SHEET As at 31st March 2024

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 25	REVENUE FROM OPERATIONS		
	a. Project and Technical Consultancy	2911.11	1827.31
	b. Manpower Supply Contracts	0.00	0.00
	c. Skill Development Programme	19733.37	14606.02
	d. Other Operating Revenue	1013.43	1446.94
		1.29	3.17
		23659.19	17883.45

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 26	OTHER INCOME		
	a. Interest Income		
	i. Earned and Accrued on Deposits	43.55	24.12
	ii. Earned and Accrued on IFCI 9.7% RRB Bonds	0.00	0.00
	iii. Earned and Accrued on Tax Free Bonds	0.00	0.00
	iv. Other Interest on Income Tax Refund	3.85	7.97
		47.40	32.09
	b. Other Non - operating income		
	i. Rent Received	0.00	0.00
	iii. Main. charged received	0.00	0.00
		0.00	0.00
	c. Dividend Income	0.00	0.00
	d. Deferred Income - Land	0.00	0.00
	e. Deferred Income	0.00	0.00
	f. Lease Rental Received	0.00	0.00
	g. Maintenance Charges Received	0.00	0.00
	h. Club House & Power Backup Charges Received	0.00	0.00
	i. Trade Payables written back	0.00	44.12
	j. Sale of Scrap	0.09	0.00
		47.49	76.21

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 27	EMPLOYEE BENEFIT EXPENSES		
	a. Salaries and Wages	208.98	185.66
	b. Contribution to Provident Fund / ESIC	10.87	13.50
	c. Group Mediclaim / Insurance / Expenses	3.68	4.45
	d. Staff Welfare Expenses	7.49	9.20
	e. Gratuity	2.05	2.32
	f. Leave Encashment	9.88	(6.71)
	g. Conveyance, Telephone & Newspaper Allowances	12.43	7.72
	h. Interest & Service Cost on Defined Benefit Obligations	9.21	9.36
		264.60	225.50

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 28	FINANCE COST		
	a. Other Interest Costs	0.00	0.00
		0.00	0.00

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
Note No. 29	DEPRECIATION AND AMORTIZATION		
	a. Depreciation on Tangible Assets		
	i. Property, Plant and Equipment	4.50	0.00
	b. Amortization on Intangible Assets	0.14	0.42
		4.65	0.42
	IMPAIRMENT		
	a. Impairment of Land	0.00	0.00
		4.65	0.42



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## MPCON LIMITED

CIN : U74140MP1979GOI001502

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### NOTES FORMING PART OF BALANCE SHEET As at 31st March 2024

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
<b>Note No. 30</b>	<b>OTHER EXPENSES</b>		
	a. Rent	14.83	15.29
	b. Repairs, Maintenance and Consumables	5.97	4.68
	c. Electricity	2.31	2.87
	d. Travelling & Conveyance	4.48	5.95
	e. Printing & Stationery	4.18	2.99
	f. Postage & Telephone	1.55	1.89
	g. Vehicle Upkeep & Running	1.52	1.38
	h. Books, Periodicals & Subscriptions	0.13	0.09
	i. Audit Fees		
	Internal Audit Fees	0.51	1.10
	Statutory Audit Fees	0.58	0.69
	Tax Audit Fees	0.18	0.18
	j. Business Development Expenses	2.59	2.64
	k. Legal & Professional Expenses	2.36	1.04
	l. Advertisement	0.28	1.59
	m. Bank Charges	0.20	0.77
	n. Board Meeting Expenses	0.11	0.06
	o. Director Sitting Fees	0.26	0.15
	p. General Expenses	2.87	2.18
	q. Skill Development Programme Expenses	879.65	1146.74
	r. Manpower Supply Contacts Expenses	19048.72	14117.88
	s. Consultancy Expenses		
	i. Project Technical and Professional Fees	2529.03	1602.14
	t. Bad Debts written off	0.00	0.00
	u. Provision for Doubtful Debts	82.98	150.00
	v. Loss on sale of assets	0.00	0.18
	w. CSR Expenses	6.05	0.00
	x. Professional Tax	0.03	0.00
		<b>22591.35</b>	<b>17125.50</b>

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
<b>Note No. 31</b>	<b>ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT AND LOSS</b>		
	a. Actuarial Gain / (Loss)	(6.24)	12.65
	b. Remeasurements of the defined benefit plans	0.00	0.00
		(6.24)	12.65
	Less: Tax on Above	0.00	0.00
		(6.24)	12.65

Note No.	Particulars	As at 31st March 2024	As at 31st March 2023
<b>Note No. 32</b>	<b>EXCEPTIONAL ITEMS/PRIOR PERIOD ITEMS</b>		
	a. Service Tax	0.00	0.00
	b. Goods and Service Tax	0.00	3.20
		<b>0.00</b>	<b>3.20</b>

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## NOTES FORMING PART OF BALANCE SHEET as at 31st March 2024

### Note No. 33 - EARNINGS PER SHARE

(Amount in ₹ in Lacs)

Particulars	For the Year ended 31st March 2024	For the Year ended 31st March 2023
Profit for the year attributable to equity shareholders (in Rs.in lakhs)	585.08	450.81
Weighted Average No. of Equity Shares	10,000	10,000
Face Value per Equity Share (in Rs.)	1,000.00	1,000.00
Basic and Diluted Earning Per Share (in Rs.)	5,850.82	4,508.09

### Note No. 34 - AUDITOR'S REMUNERATION

Particulars	For the Year ended 31st March 2024	For the Year ended 31st March 2023
Audit Fees	0.58	0.69
Tax Audit Fees	0.18	0.18
<b>TOTAL</b>	<b>0.76</b>	<b>0.87</b>

### Note No. 35 - TAX EXPENSES

Particulars	For the Year ended 31st March 2024	For the Year ended 31st March 2023
<b>Current Tax</b>		
a. In respect of Current Year	258.47	156.32
b. In respect of Previous Years	-	-
	258.47	156.32
<b>Deferred Tax</b>		
a. In respect of Current Year	1.96	3.46
<b>TOTAL</b>	<b>260.42</b>	<b>159.78</b>



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## NOTES FORMING PART OF BALANCE SHEET as at 31st March 2024

### Note No. 36 - SEGMENT REPORTING

The Company operates in three reportable business segment namely 'Project Consultancy' comprising of various projects related consultancy, TEV studies, Feasibility Studies and Valuations etc. and in 'Manpower Supply Contracts' comprising of providing manpower to government departments and in 'Skill Development Programmes' comprising of various trainings and skill Development programmes. Hence the segment wise disclosure as required by Ind AS - 108 is as under:

Particulars	Division			
	Project & Technical Consultancy	Manpower Supply Contracts	Skill Development Programmes	Consolidated Total
<b>SEGMENT REVENUE</b>				
Sales	2,911.11	19,733.37	1,013.43	23,657.91
Other Income	6.00	40.69	2.09	48.78
<b>Total Revenue</b>	<b>2,917.12</b>	<b>19,774.06</b>	<b>1,015.51</b>	<b>23,706.69</b>
<b>SEGMENT EXPENSES</b>				
Operating Expenses	2,529.03	19,048.72	879.65	22,457.39
Depreciation Allocated	0.52	3.94	0.18	4.65
<b>Operating Profit</b>	<b>387.56</b>	<b>721.40</b>	<b>135.68</b>	<b>1,244.64</b>
Non-Operating Expenses	123.87	230.57	43.37	397.81
<b>Profit Before Tax</b>	<b>263.69</b>	<b>490.82</b>	<b>92.32</b>	<b>846.83</b>
<b>OTHER INFORMATION</b>				
Segmental Assets	936.38	1,742.94	327.81	3,007.13
Segmental Liabilities	936.38	1,742.94	327.81	3,007.13





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NOTES FORMING PART OF BALANCE SHEET  
as at 31st March 2024

**Note No. 37- RELATED PARTY DISCLOSURES**

List and Transactions of related parties as per Ind AS-24 "Related Parties Disclosures" issued by The Institute of Chartered Accountants of India:

**i. Name of the related parties and description of relationship -**

**A. Enterprises having significant influence over the company**

IFCI Limited - Holding Company

MPCON FINESTAR - Registered Society under MP Societies Registration Act, 1973 founded by MPCON.

Society is having 7 members of which 5 Members are the employees of MPCON.

**B. Key Managerial Personnel (Directors during the FY 2023-24)**

Mr. Prasoon - Chairman ( Appointment w.e.f. 30.09.22)

Mr. Ashutosh Singla - Managing Director (Appointment w.e.f. 05.05.2022)

Mr. Ravi Ranjan Mishra ( Appointment w.e.f. 13.10.2022 )

Mr. Arun Kumar Goyal (Appointment w.e.f. 06.09.2021)

Mr. Lokesh Krishna (Appointment w.e.f. 30.09.2021)

Mr. Tarsem Singh ( Appointment w.e.f. 15.06.2022 )

Mr. Kundan Jyoti ( Appointment w.e.f. 27.07.2023 )

Mr. Shailendra Singh Bora ( Appointment w.e.f. 19.09.2022 )

Mr. Anil Kumar Thagle ( Appointment w.e.f. 19.09.2022 )

Mr. Shailendra Singh Taragi ( ceased w.e.f. 27.07.2023 )

**B. Key Managerial Personnel (Directors during the FY 2022-23)**

Mr. Prasoon - Chairman ( Appointment w.e.f. 30.09.22)

Mr. Ashutosh Singla - Managing Director (Appointment w.e.f. 05.05.2022)

Mr. Sunil Kumar Bansal - Chairman (Ceased w.e.f. 30.09.22)

Mr. Ravi Ranjan Mishra ( Appointment w.e.f. 13.10.2022 )

Mr. Debashis Gupta - Managing Director (ceased w.e.f. 05.05.2022)

Mr. Shriram Dattatray Madhurkar (Ceased w.e.f. 22.06.2022)

Mr. Arun Kumar Goyal (Appointment w.e.f. 06.09.2021)

Mr. Santhi Chilumuri (Ceased w.e.f. 13.10.2022)

Mr. Rajendra Kumar Raikwar (Ceased w.e.f. 19.09.2022)

Mr. Swaminathan Giridhar (Ceased w.e.f. 19.09.2022)

Mr. Lokesh Krishna (Appointment w.e.f. 30.09.2021)

Mr. Vishnu Kumar Gupta (Ceased w.e.f. 22.06.2022)

Mr. Prem Kumar Agrawal (Appointment w.e.f. 16.06.2022 Ceased w.e.f. 19.09.2022 )

Mr. Tarsem Singh ( Appointment w.e.f. 15.06.2022 )

Mr. Shailendra Singh Taragi ( Appointment w.e.f. 19.09.2022 )

Mr. Shailendra Singh Bora ( Appointment w.e.f. 19.09.2022 )

Mr. Anil Kumar Thagle ( Appointment w.e.f. 19.09.2022 )



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## NOTES FORMING PART OF BALANCE SHEET as at 31st March 2024

### ii. Details of transactions with enterprises having significant influence over the company (FY 2022- 23)

(Amount in ₹ in Lacs)

Nature of Transaction	Holding Company (IFCI Limited)	MPCON FINESTAR	Total
<b>FINANCE</b>			
Dividend Paid to Equity Shareholders	103.64	-	103.64
<b>INCOME</b>			
Manpower Contracts with IFCI Ltd Received	159.38	-	159.38
<b>EXPENSES</b>			
Remuneration (including benefits) for staff on deputation	39.04	-	39.04
<b>LIABILITIES</b>			
<b>ASSETS</b>			
<b>OTHER TRANSACTIONS</b>			
Advances Repayment (Payment made on behalf of MPCON FINESTAR)	-	0.35	0.35

### iii. Details of transactions with enterprises having significant influence over the company (FY 2023 - 24)

(Amount in ₹ in Lacs)

Nature of Transaction	Holding Company (IFCI Limited)	MPCON FINESTAR	Total
<b>FINANCE</b>			
Dividend Paid to Equity Shareholders	79.72	-	79.72
<b>INCOME</b>			
Manpower Contracts with IFCI Ltd Received	364.41	-	364.41
<b>EXPENSES</b>			
Remuneration (including benefits) for staff on deputation	46.57	-	46.57
<b>LIABILITIES</b>			
<b>ASSETS</b>			
<b>OTHER TRANSACTIONS</b>			
Advances Repayment (Payment made on behalf of MPCON FINESTAR)	-	1.49	1.49

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## NOTES FORMING PART OF BALANCE SHEET as at 31st March 2024

### iv. Details of transactions with KMPs during the year

(Amount in ₹ in Lacs)		
Particulars	For the Year ended 31st March 2024	For the Year ended 31st March 2023
<b>i. Managing Director</b>		
a. Short term employee benefits	46.57	39.04
b. Other long term employee benefits	-	-
<b>TOTAL</b>	<b>46.57</b>	<b>39.04</b>

### Note No. 38 - FINANCIAL INSTRUMENTS

#### i. Interest Rate Risk Management

Interest rate used to determine fair value of Financial Instruments is 3 Years average MCLR of State Bank of India as at 15.03.2024. The same is subject to review at every financial year close. The company has no borrowings, hence incremental borrowing rate is not available.

#### ii. Break up of Financial Instruments carried at fair value through Profit and Loss

(Amount in ₹ in Lacs)		
Particulars	For the Year ended 31st March 2024	For the Year ended 31st March 2023
<b>FINANCIAL ASSETS</b>		
Trade Receivables	634.95	734.24
Other Financial Assets	234.40	159.22
<b>FINANCIAL LIABILITIES</b>		
Trade Payables	1,304.69	638.17

#### iii. Break up of Financial Instruments carried at amortised costs

(Amount in ₹ in Lacs)		
Particulars	For the Year ended 31st March 2024	For the Year ended 31st March 2023
<b>FINANCIAL ASSETS</b>		
Cash and Cash Equivalents	1,031.88	534.93
Short Term Deposit & Advances	193.16	150.08
<b>FINANCIAL LIABILITIES</b>		
Other Financial Liabilities	68.67	96.21





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## NOTES FORMING PART OF BALANCE SHEET as at 31st March 2024

### Note No.39 - CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

#### Note No. 39 (i) - CONTINGENT LIABILITIES

(Amount in ₹ in Lacs)

Particulars	For the Year ended 31st March 2024	For the Year ended 31st March 2023
(A) Claims against Company not acknowledged as Debts	-	-
(B) Bank Guarantees provided	-	-
(C) Estimated amount of contracts remaining to be executed	-	-
(i) On Capital		
(ii) On Revenue		
Account (net of advances) and not provided for		-
(D) Export obligations under Licenses	-	-
(E) The Company has Contingent Liability towards Income Tax is as under -	613.45	613.45

#### Note No. 39(ii) - CONTINGENT LIABILITIES TOWARDS INCOME TAX

Assessment Year	(Amount in ₹ in Lacs)
2021-22	592.68
2013 - 14	3.48
2009-10	6.83
2007-08	10.46

#### Note No. 39 (iii) - CONTINGENT LIABILITIES FOR LEGAL CASES

Particulars	Nature of dues	Litigation Pending Before	Expected financial Implication
Shri Prahalad Kumar Kanojiya,	Salary	High Court Jabalpur	Not Estimated
R.K.Swarankar	Salary, Leave Encashment & gratuity	High Court Jabalpur	Not Estimated
U S Tiwari, D P Sharma and G P Ahirwar	Salary	M.P. Industrial Dispute Tribunal, Indore	Rs. 952000/- (Approx)
Employees Provident Fund Orgn. Bhopal	Provident Fund	High Court Jabalpur	Rs.1478984 ( Approx)
Ritu Narula	Reinstatement of Job	High Court Jabalpur	Not Estimated





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## NOTES FORMING PART OF BALANCE SHEET as at 31st March 2024

### Note No. 40 - EMPLOYEE BENEFIT PLANS

#### Note No. 40 (i) - Defined benefit plans

Brief Description: A general description of the type of Employee Benefits Plans is as follows:

##### 1. Earned Leave (EL) Benefit

Salary - Last drawn qualifying salary

Accrual - 33 days per year

Maximum Accumulation - 33 days

Encashment while in service - 100% of earned leave balance, subject to maximum 33 days per year

Encashment on retirement - Maximum upto 33 days or actual accumulation, whichever is less

##### 2. Gratuity

Salary - Last drawn qualifying salary

Accrual - 15 days salary for each completed year of service

Vesting Period - 5 years of service

Limit - Maximum of INR 20,00,000

Note No. 40(ii) - The principal assumptions used for the purposes of the actuarial valuations were as follows -  
Assumptions as at March 31, 2024

(Amount in ₹ in Lacs)

S. No.	Particulars	March 31, 2024	March 31, 2023
	<b>Gratuity</b>		
1.	Discount rate	7.21%	7.33%
2.	Expected return on plan assets	7.01	7.43
3.	Annual increase in costs	N.A.	N.A.
4.	Annual increase in salary	8%	8%
	<b>Leave Encashment</b>		
5.	Discount rate	7.21%	7.33%
6.	Expected return on plan assets	5.06	5.42
7.	Annual increase in costs	N.A.	N.A.
8.	Annual increase in salary	8%	8%

Note No. 40 (iii) - The discount rate is based upon the market yield available on Government bonds at the Accounting date with a term that matches. The salary growth takes into account inflation, seniority, promotion and other relevant factor on long term basis. Expected rate of return on plan assets is based on market expectation, at the beginning of the year, for return over the entire life of the related obligation.



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## NOTES FORMING PART OF BALANCE SHEET as at 31st March 2024

### Note No. 41 - Disclosure u/s 22 of MSMED Act, 2006

i. The company has requested information from all its vendors regarding their status of registration in accordance with the Micro, Small and Medium Enterprises Development Act, 2006 ("The Act"). Out of the same, vendors who did not send any confirmation have been taken to be non MSME vendors. Further, probability of vendors being under the MSME Category is negligible as mostly debtors are government departments / entities. Disclosure required under Section 22 of the MSMED Act, 2006 is as under -

(Amount in ₹ in Lacs)		
Particulars	For the Year ended 31st March 2024	For the Year ended 31st March 2023
Principal amount due to suppliers registered under the Act and remaining unpaid as at year end	1,25,94,507	-
Interest due to suppliers registered under the Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the Act, beyond the appointed day during the year	-	-
Interest paid other than under Section 16 of the Act to suppliers registered under the Act, beyond the appointed day during the year	-	-
Interest paid under Section 16 of the Act to suppliers registered under the Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under the MSMED Act, 2006 for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

### Note No. 42 - IMPAIRMENT LOSSES

No impairment of losses recognised by the management.

### Note No. 43

The Company has continued to act as a Nodal Agency for the implementation of Various Government Programmes. Some of the major amounts sanctioned during the Financial Year 2023- 24 are as follows -

(Amount in ₹ in Lacs)		
SN	Name of Sponsor Agency	Sanction
1	District Mineral Foundation Trust (DMF)-Damoh	60.00
2	MP State Open School, Bhopal	509.88
3	MP Council of Employment & Training (MPCET)	172.98
4	Madhya Pradesh Special and Residential Academic Society (MPSARAS)	8.21
5	MP Council of Science & Technology	115.79
6	District Mineral Foundation Trust (DMF)-Katni	36.28
7	Directorate of Public Instruction	6,354.65
8	District Education Officer M.P.	5,447.85
9	Panchayati Raj, M.P.	375.55
10	M.P. Board of Secondary Education, Bhopal	1,829.95
	<b>TOTAL</b>	<b>14,911.14</b>

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NOTES FORMING PART OF BALANCE SHEET  
as at 31st March 2024

## Note No. 44 - DUES TO SMALL SCALE INDUSTRIAL UNDERTAKINGS

Dues payable to Small Scale Industrial Undertakings as defined under Industries (Development & Regulation) Act, 1951 has been paid within 45 days as per section 43B(h).

## Note No. 45 - DEFERRED TAX ASSETS / LIABILITIES

Particulars	(Amount in ₹ in Lacs)	
	As at 31st March 2024	For the Year ended 31st March 2023
Deferred Tax (Assets) / Liabilities		
Opening Balance Deferred Tax Liabilities	0.78	-2.67
Net Additions	-1.96	3.46
Net Deferred Tax Liabilities/(Asset)	(1.17)	0.78

## Note No. 46 : DIVIDEND

The company has declared & paid Interim Dividend of Rs 1,00,00,000 for the financial year 2023-24

## Note No. 47 : INCOME RECOGNITION IN MANPOWER SUPPLY ASSIGNMENTS

In case of Manpower supply assignments invoices are raised after receipt of certificate/confirmation from the department. Income is also treated in the relevant period when department treat the expenses.

## Note No. 48 - CONFIRMATIONS

Balances of Current Trade Receivables and Current Trade Payables are confirmed by majority of parties.

## Note No. 49

Previous period figures have been regrouped / rearranged / reclassified, wherever necessary, to make them comparable to the current year's presentation.

## Note No. 50

The notes referred to above form an integral part of the Financial Statement.



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NOTES FORMING PART OF BALANCE SHEET  
as at 31st March 2024

## Note No. 51 - APPROVAL OF FINANCIAL STATEMENTS

The financial statements of the company for the year ended March 31, 2024 were approved for issue by the Board of Directors on 26.04.2024

As per our report of even date attached

For: Deepak Goyal & Associates

CHARTERED ACCOUNTANTS

FRN 006749C

CA Deepak Goyal

PARTNER

M.No.075634

UDIN : 24035634BK H88T3731

Date : 26.04.2024

Place : Bhopal

FOR AND ON BEHALF OF THE BOARD

(ASHUTOSH SINGLA)

DIN : 06646775

MANAGING DIRECTOR

(PRASOON)

DIN : 03599426

CHAIRMAN





## MPCON LIMITED

CIN: U74140MP1979GOI001502

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### NOTES TO STANDALONE FINANCIAL STATEMENTS

#### CORPORATE AND GENERAL INFORMATION

MPCON Limited ("the Company"), is a professionally managed Technical Consultancy Organization Promoted by Apex Financial Institutions, PSU Banks and various State Govt. Corporations. Established in 1979, it is the premier consulting organization in Central India, and has consistently endeavoured to provide quality consulting services and created a niche market for itself. The key element of MPCON's progress has been to constantly diversify its portfolio and add new services with the requisite competence.

The core expertise of the company lies in executing project consultancy assignments and training & capacity building in the field of livelihoods promotion. MPCON promotes entrepreneurship in the state of M.P. & Chhattisgarh and provides need based consultancy services and allied activities.

#### 1. SIGNIFICANT ACCOUNTING POLICIES

##### 1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements for the year ended March 31, 2024 have been prepared by the Company in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 and as notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016, as amended from time to time, in this regard.

Further, the financial statements comply in all material aspects with the Indian Accounting Standards (IndAS) including the rules notified under the relevant provisions of the Companies Act, 2013 (the Act).

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

##### 1.2 FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Indian Rupees (INR), which is the Company's functional and presentation currency. All amounts have been denominated in INR and rounded off to the nearest two decimals, except where otherwise indicated.

##### 1.3 BASIS OF MEASUREMENT

The financial statements have been prepared on accrual basis and under the historical cost convention, except for the following material items:

- Financial assets at FVTOCI that is measured at fair value
- Financial instruments at FVTPL that is measured at fair value
- Net defined benefit (asset) / liability - fair value of plan assets less present value of defined benefit obligation



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**1.4 USE OF JUDGEMENTS AND ESTIMATES**

The preparation of financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses during the reporting period. Although, such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years.

**1.5 PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND INVESTMENT PROPERTY****1.5.1 Recognition and measurement**

**Property, Plant and Equipment** is initially measured at cost of acquisition/construction including 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.

Property, plant and equipment held for use or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. The cost includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets.

Property, Plant and Equipment acquired as replacement of the existing assets are capitalized and its corresponding replaced assets removed/ retired from active use are derecognized.

If the cost of the replaced part or earlier inspection is not available, the estimated cost of similar new parts/inspection is used as an indication of what the cost of the existing part/ inspection component was when the item was acquired or inspection was carried out.

After initial recognition, Property, Plant and Equipment is carried at cost less accumulated depreciation / amortisation and accumulated impairment losses, if any.

In the case of commissioned assets, deposit works/cost – plus contracts where final settlement of bills with contractors is yet to be affected, capitalization is done on provisional basis subject to necessary adjustments in the year of final settlement.

Spares parts, standby equipment and servicing equipment which meets the recognition criteria of Property, Plant and Equipment are capitalized.



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Investment properties include those portions of land and buildings that are held for long-term rental yields and/or for capital appreciation or for a currently indeterminate use. Investment properties include properties that are being constructed or developed for future use as investment properties (if any).

Investment properties are stated at cost of acquisition / construction less accumulated depreciation. On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

On the date of transition to Ind AS, the Company has considered the carrying value of Investment Properties (if any) as per previous GAAP to be the deemed cost as per Ind AS 101.

Intangible assets are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Government licenses essential for the company's operations and having a validity of over one year are initially recognised at cost and carried at cost less accumulated amortisation calculated on the basis of remaining validity period.

An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

## 1.5.2 Depreciation / Amortization

Depreciation is provided using the Straight Line Method over their estimated useful life as prescribed under Schedule II to the Companies Act, 2013 or based on Management assessment of useful life, if lower than what is prescribed under the schedule (Plant and Machinery – Useful Life of 5 years). Depreciation is calculated on pro – rata basis, including the month of addition and excluding the month of sale/disposal. Leasehold improvements are amortised over the underlying lease term on a straight line basis. Residual value in respect of items of Property, Plant & Equipment and Investment Property are considered as 5% of the cost. Property, Plant and Equipment costing less than Rs. 5000/- individually are charged to the statement of Profit & Loss Account in the year of their purchase itself.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Intangible Assets consisting of Computer software with indefinite period utility / user rights and having a useful life lasting with that of the equipment have been capitalized with the cost of computer. Software carrying an identifiable utility of at least three years is amortized on a straight line basis over a period of three years from the date of put into use. Software with limited edition / period utility i.e. requiring annual revision is charged to Statement of Profit and Loss Account in the





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year of purchase. Government licenses (if any) are amortized on a straight line basis over a period of their validity.

Useful Life of Assets : The company estimated useful life of assets as under :-

Sr.No.	ASSETS	USEFUL LIFE
1.	FURNITURE & FIXTURES	10
2.	VEHICLES	8
3.	OFFICE EQUIPMENT	5
4.	COMPUTER SOFTWARE	3
5.	ELECTRICAL FITTINGS	10
6.	OTHERS	3

**1.5.3 De – Recognition**

An item of property, plant and equipment, investment property and intangible assets is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment or investment property is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in profit or loss.

**1.5.4 Transition to Ind AS**

The Company has elected to continue with the carrying value of all of its Property, Plant and Equipment, Investment Property and Intangible Assets recognised as of the transition date measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date as per Ind AS 101.

**1.6 BORROWING COSTS**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit or loss in the period in which they are incurred.



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**1.7 IMPAIRMENT OF NON – FINANCIAL ASSETS**

At each reporting date, the Company reviews the carrying amount of its non – financial assets (other than assets held for sale and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that is largely independent of the cash inflows of other assets or CGUs. The 'recoverable amount' of an asset or CGU is the greater of its value in use and its fair value less costs to sell. 'Value in use' is based on the estimated future cash flows, 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 or CGU.

Impairment losses are recognised in profit and loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**1.8 ASSETS HELD FOR SALE**

Assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets measured at the lower of their carrying amount and fair value less cost to sell with gains and losses on re-measurement recognised in profit or loss. Once classified as held for sale, assets are no longer amortised, depreciated or impaired.

**1.9 INVESTMENT IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

Investments in Subsidiaries, Associates and Joint Ventures are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost. On each reporting date, consequent upon existence of any external or internal indication to impairment, the impairment loss shall be recognised as difference between the carrying amount and recoverable amount.

**1.10 INVENTORIES**

Inventories are valued at cost or net realizable value, whichever is lower. The quantity and valuation of inventories at the yearend (if any) is taken as physically verified value and certified by the management.



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### 1.11 CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents comprise Cash in hand, Balances in Bank Account, Remittance in Transit, Cheques in hand and Demand Deposits, together with other short-term, highly liquid investments (original maturity less than 3 months) that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

### 1.12 LEASES (IN ACCORDANCE WITH IND AS 116)

The company identifies lease as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. The company checks for conditions needed to be fulfilled if the contract is to be classified as lease as under:

- i. Identified asset.
- ii. Lessee obtains substantially all of the economic benefits
- iii. Lessee directs the use

#### 1.12.1 The Company as a Lessee

- i. The company recognizes assets and liabilities for all leases for a term of more than 12 months, unless the underlying asset is of low value.
- ii. It then recognizes a right of use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments.
- iii. The company measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities.
- iv. The company recognizes depreciation of the right-of-use asset and interest on the lease liability.
- v.  $\text{Lease liability} = \text{Present value of lease rentals} + \text{present value of expected payments at the end of lease}$ . The lease liability will be amortized using the effective interest rate method.
- vi.  $\text{Lease term} = \text{non-cancellable period} + \text{renewable period}$  if lessee reasonably certain to exercise.
- vii.  $\text{Right to use asset} = \text{Lease liability} + \text{lease payments (advance)} - \text{lease incentives to be received}$  if any initial + initial direct costs + cost of dismantling / restoring etc. The asset will be depreciated as per Ind AS 16 Property Plant and equipment.

#### 1.12.2 The Company as a Lessor

- i. The company classifies each of its leases as either an operating lease or a finance lease.
- ii. A lease is classified as a finance lease if it transfers substantially all the risks and rewards, incidental to ownership of an underlying asset. For finance leases, the company derecognizes the underlying asset and recognizes a net investment in the lease.
- iii. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. For operating leases, the company continues to recognize the underlying asset.
- iv. Any selling profit or loss is recognized at lease commencement.



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### 1.13 PROVISIONS AND CONTINGENCIES RELATED TO CLAIMS, LITIGATION etc.

#### 1.13.1 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined based on management estimates required to settle the obligation at the Balance Sheet date. If the effect of the time value of money is material, provisions are discounted. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

#### 1.13.2 Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements.

#### 1.13.3 Arbitration Awards

Arbitration / Court's awards along with related interest receivable/payable are, to the extent not taken into account at the time of initiation, are recognized after it becomes decree. Permanent Machinery of Arbitration, Government of India, is accounted for on finalization of award by the appellate authority. Interest to/from in these cases are accounted when the payment is probable which is the point when matter is considered settled by management.

#### 1.13.4 Liquidated Damages

Liquidated Damages / Compensation for delay in respect of clients/ contractors, if any, are accounted for when payment is probable which is the point when matter is considered settled by management.

### 1.14 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

#### 1.14.1 Contingent Liabilities

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.





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### 1.14.2 Contingent Assets

Contingent assets are disclosed in the financial statements where an inflow of economic benefits is probable.

### 1.15 SHARE CAPITAL AND OTHER EQUITY

Share capital represents the nominal value of shares that have been issued. Any transaction costs associated with the issuing of shares are deducted from retained earnings, net of any related income tax benefits.

Other components of equity include Other Comprehensive Income (OCI) arising from actuarial gain or loss on re-measurement of defined benefit liability and return on plan assets.

Retained earnings include all current and prior period retained profits. All transactions with owners of the parent are recorded separately within equity. Annual dividend distribution to shareholders is recognised as a liability in the period in which the dividend is approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

### 1.16 FINANCIAL INSTRUMENTS

#### 1.16.1 Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

#### 1.16.2 Classifications and Subsequent Measurement

##### (i) Financial Assets

On initial recognition, a financial asset is classified as subsequently measured at either amortised cost or fair value through other comprehensive income ('FVTOCI') or FVTPL, depending on the contractual cash flow characteristics of the financial assets and the Company's business model for managing the financial assets.





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**(ii) Business Model Assessment**

The Company makes an objective assessment of the business model in which an asset is held at a portfolio level, because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- The frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Company's stated objective for managing the financial assets is achieved and how cash flows are realized;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

**1.16.3 Assessment whether contractual cash flows are solely payments of principal and interest**

For the purpose of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company applies judgement and considers all the contractual terms of the instrument. This includes assessing whether the financial asset contains any contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the said assessment, the Company considers prepayment and extension terms, features that modify consideration of the time value of money (e.g. periodical reset of the interest rates).

**1.16.4 Financial Assets at Amortized Cost**

A Financial Asset is measured at amortised cost only if both of the following conditions are met:

- It is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- The contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Subsequently, these are measured at amortised cost using the effective interest rate (EIR) method less any impairment losses.



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### 1.16.5 Financial Assets at Fair Value through Other Comprehensive Income ('FVTOCI')

A Financial Asset is measured at FVTOCI only if both of the following conditions are met:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- The contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Subsequently, these are measured at fair value and changes therein, are recognised in other comprehensive income. Impairment losses on said financial assets are recognised in other comprehensive income and do not reduce the carrying amount of the financial asset in the balance sheet.

### 1.16.6 Financial assets at Fair Value through Profit and Loss (FVTPL)

Any financial instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL.

Subsequently, these are measured at fair value and changes therein, are recognised in profit and loss account.

### 1.16.7 Investment in equity instruments

All equity investments in scope of Ind AS 109 (i.e. other than equity investments in subsidiaries / associates / joint ventures) are measured at FVTPL.

Subsequently, these are measured at fair value and changes therein, are recognised in profit and loss account. However, on initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment by investment basis.

### 1.16.8 Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortised cost, as appropriate and is accordingly accounted for.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs."



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**1.16.9 Measurement Basis****(i) Amortised cost**

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the EIR method of discount or premium on acquisition and fees or costs that are an integral part of the EIR and, for financial assets, adjusted for any loss allowance.

**(ii) Fair Valuation**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

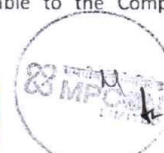
When one is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction."

**1.16.10 De-recognition/Modification of Financial Assets and Financial Liabilities****(A) De-recognition of Financial Assets and Financial Liabilities****(i) Financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. The Company also recognises a liability for the consideration received attributable to the Company's continuing





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involvement on the asset transferred. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On de-recognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset de-recognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

**(ii) Financial liabilities**

The Company de-recognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

**(B) Modifications of financial assets and financial liabilities****(i) Financial assets**

If the terms of a financial asset are modified, the Company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the modification results in de-recognition of the original financial asset and new financial asset is recognised at fair value.

If the cash flows of the modified asset are not substantially different, then the modification does not result in de-recognition of the financial asset. In this case, the Company recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. Any costs or fees incurred adjust the carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset by recomputing the EIR rate on the instrument.

If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income.

**(ii) Financial liabilities**

The Company de-recognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

If the modification is not accounted as derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original EIR and the resulting gain or loss is recognised in profit or loss. Any costs or fees incurred adjust the carrying amount of the modified financial liability and are amortised over the remaining term of the modified financial liability by recomputing the EIR rate on the instrument.



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### 1.16.11 Offsetting of Financial Instruments

Financial Assets and Financial Liabilities are offset and the net amount is reported in the balance sheet when the Company has a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

### 1.16.12 Impairment of Financial Assets

The Company recognises impairment allowances for ECL on all the financial assets that are not measured at FVTPL. No impairment loss is recognised on equity investments.

ECL are probability weighted estimate of credit losses. They are measured as follows:

- Financial Assets that are not credit impaired – as the present value of all cash shortfalls that are possible within 12 months after the reporting date.
- Financial Assets with significant increase in credit risk but not credit impaired – as the present value of all cash shortfalls that result from all possible default events over the expected life of the financial asset.
- Financial Assets that are credit impaired – as the difference between the gross carrying amount and the present value of estimated cash flows
- Undrawn Loan Commitments – as the present value of the difference between the contractual cash flows that are due to the Company if the commitment is drawn down and the cash flows that the Company expects to receive with respect to trade receivables and other financial assets, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For financial assets at FVTOCI, the loss allowance is recognised in OCI.

### 1.16.13 Write-off of Financial Assets

Financial assets are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write – off. This assessment is carried out at the individual asset level.

However, financial assets that are written off could still be subject to enforcement activities under the group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

### 1.17 TRADE RECEIVABLES

Trade receivables are classified into Non- current and Current trade receivables and provisions are made based on estimated recovery.





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**1.18 FOREIGN CURRENCY TRANSACTIONS**

The expenses and income in foreign exchange transactions are accounted for at the rates prevailing on the date of transactions / at the forward rate, if booked, for such transaction. Assets and liabilities held in foreign currencies and accrued income and expenditure in foreign currencies are translated into Indian Rupees at the rates advised by Foreign Exchange Dealers Association of India (FEDAI) prevailing towards the close of the accounting period. Gains / losses, if any, on valuation of various assets and liabilities are taken to Statement of Profit & Loss.

**1.19 REVENUE RECOGNITION**

- i. Interest Income from Bank Deposits is recognized on accrual basis on a time proportion basis.
- ii. Income by way of Fees for Project Consultancy Services is recorded on accrual basis as per services rendered pursuant to the specific service agreements and in accordance with Ind AS 115 – “Revenue from Contracts with Customers”.
- iii. Income by way of Fees for HR & Manpower Supply is recorded on accrual basis as per manpower provided pursuant to the specific agreements and in accordance with Ind AS 115 – “Revenue from Contracts with Customers”.
- iv. Income by way of Fees for Training Programs is recorded on accrual basis as per number of students to whom training has been provided pursuant to the specific agreements and in accordance with Ind AS 115 – “Revenue from Contracts with Customers”.
- v. Recovery from bad debts written off is recognised as income on the basis of actual realisation from customers.

**1.20 DIVIDENDS**

Dividends are recognised if and only when the same are approved by the shareholders in the general meeting and consequently paid to the shareholders

**1.21 EMPLOYEE BENEFITS**

Employee benefits are all forms of consideration given by the company in exchange for service rendered by employees. Employee benefits include: short – term employee benefits, post – employment benefits and other long – term employee benefits.

**1.21.1 Short Term Employee Benefits**

When an employee has rendered service to the company during an accounting period, the company recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as a liability (accrued expense), after deducting any amount already paid and as an expense. Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.



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### 1.21.2 Defined Benefit Plans

#### i. Gratuity

The Company has a defined benefit employee scheme in the form of Gratuity. The trustees of the scheme have entrusted the administration of the related fund to Life Insurance Corporation of India. Expense for the year is determined on the basis of actuarial valuation of the Company's year – end obligation in this regard and the value of year end assets of the scheme. Contribution is deposited with LIC based on intimation received by the Company.

#### ii. Provident Fund

The Company pays fixed contribution to Provident Fund. The contributions to the fund for the year are recognized as expense and are charged to the profit or loss. The obligation of the company is to make such fixed contributions and to ensure a minimum rate of return to the members as specified by the Government of India (GOI) from time to time.

#### iii. Medical Facilities and Mediclaim

The Company has a [REDACTED] medical benefit scheme for employees and their dependants subject to certain limits for hospitalization and normal medical treatment.

#### iv. Children Education Allowance

The Company also pays Children Education Allowance to employees for a maximum of two (2) children till the time they are dependent.

Defined benefit plans are those plans that provide guaranteed benefits to certain categories of employees, either by way of contractual obligations or through a collective agreement. The company operates unfunded defined benefit plan. The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each fiscal year end. The obligation recognized in the consolidated statements of financial position represents the present value of the defined benefit obligation.

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current costs and the fair value of any plan assets, if any is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Accrued Benefit Method (same as Projected Unit Credit Method), which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of



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economic benefits available in the form of any future refunds from the plan or reductions in future contribution to the plan.

The change in defined benefit plan liability is split into changes arising out of service, interest cost and re-measurements and the change in defined benefit plan asset is split between interest income and re-measurements. Changes due to service cost (which is the increase of the present value of the defined benefit obligation resulting from the employee service in the current period) and net interest cost / income (which is the change during the period in the defined benefit liability that arises from the passage of time) is recognized in the statement of profit and loss. Re-measurements of net defined benefit liability / (asset) which comprise of the below are recognized in other comprehensive income:

- Actuarial gains and losses;
- The return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset)

### 1.21.3 Other Long Term Employee Benefits

Benefits under the Company's Leave Encashment and Leave Fare Concession constitute other long term employee benefits. The Company's net obligation in respect of leave encashment is the amount of future benefit that employees have present value, and the fair value of any related assets is deducted. The calculation is performed using the projected unit credit method. Any actuarial gains or losses are recognized in profit or loss in the period in which they arise. Provision for Leave Encashment is being made on actuarial valuation basis.

### 1.22 INCOME TAX EXPENSE

Income Tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of temporary differences between tax base and book base). It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

#### 1.22.1 Current Tax

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Current tax comprises the tax payable on the taxable income or loss for the year and any adjustment to the tax payable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Minimum Alternative Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as current tax in the statement of profit and loss. Current tax assets and liabilities are offset only if, the company:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.





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**1.22.2 Deferred Tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if the Company:

- a) has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

**1.22.3 Current and Deferred Tax for the year**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**1.22.4 Minimum Alternate Tax (MAT)**

The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

**1.23 PRIOR PERIOD ITEMS**

Material prior period errors are corrected retrospectively by restating the comparative amounts for prior period presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening statement of financial position.



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**1.24 EARNINGS PER SHARE**

Basic earnings per share is computed using the net profit for the year attributable to the shareholders and weighted average number of shares outstanding during the year.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholders and weighted average number of equity and potential equity shares outstanding during the year, except where the result would be anti-dilutive.

**1.25 SEGMENT REPORTING**

The Company operates in three reportable business segment namely 'Project Consultancy' comprising of various projects related consultancy, TEV studies, Feasibility Studies and Valuations etc. and in 'Manpower outsourcing' comprising of providing manpower both skilled, semi-skilled and unskilled to government offices and in Training Programmes comprising of providing Entrepreneurial Trainings and Skill Development programmes.

**ALLOCATION OF COMMON COSTS**

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

**1.26 CASH FLOW STATEMENT**

Cash flow statement is prepared as per indirect method prescribed in the Ind AS 7 – "Statement of Cash Flows".