

MUZALI ARTS LIMITED

Board of Directors

Mrs. Farheen Mansoorbhai Murtuza	Chairman & Managing Director
Mr. Vishal Jaisingh Ladharam (Resigned on 19 th June 2023)	Independent Director
Mr. Lalit Kripashankar Dave (Appointed on 25 th July 2022)	Non-Executive Director
Mr. Avigat Ganeriwala (Appointed on 21 st October 2022)	Non-Executive Director
Ms. Mala Brijlal Lalchandani (Resigned on 26 th July 2022)	Independent Director
Mr. Neelkanth Dnyaneshwar Aher (Appointed on 23 rd June 2023)	Non-Executive Director

Key Managerial Personnel

Mr. Lalit Kripashankar Dave (Resigned on 23 rd July 2022)	Chief Financial Officer
Mr. Ankur Rathi (Effect from 12 th January 2023)	Chief Financial Officer
Mr. Rohit Raghunath Jadhav (Resigned on 6 th January 2023)	Company Secretary and compliance Officer
Ms. Nidhi HarshVinod Gandhi (Effect from 1 st July 2023)	Company Secretary and Compliance Officer

Auditors

M/s. Gupta Ravi & Associates	Chartered Accountant
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Registrar and Transfer Agent

Satellite Corporate Services Pvt Ltd

Unit No 49, Building No 13AB, 2nd Floor,
Samhita Commercial Co-Op Society Ltd,
Off Andheri Kurla Road, MTNL Lane, Sakinaka,
Mumbai -400072

Website: www.satellitecorporate.com

Registered Office

Plot No. 3 B-44, Near Manav Mandir, Kantol Road, Yerla, Nagpur, Maharashtra, India-441501.

CIN: L20100MH1995PLC322040

Tel: 84446581165

Email Id: office@muzaliarts.com

Website: www.muzaliarts.com

28th Annual General Meeting on Friday, 29th September 2023 at 9:00 A.M at the Registered Office of the company at Plot No. 3 B-44, Near Manav Mandir, Kantol Road, Yerla, Nagpur, Maharashtra, India-441501.

MUZALI ARTS LIMITED

Registered Office: Plot No. 3 B-44 Near Manav Mandir Kantol Road Yerla Nagpur - 441501.

Phone: +91 8446581165

E-mail ID: office@muzaliarts.com Website: www.muzaliarts.com

CIN: L20100MH1995PLC322040

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 28TH ANNUAL GENERAL MEETING OF THE MEMBERS OF MUZALI ARTS LIMITED WILL BE HELD ON FRIDAY, 29TH SEPTEMBER 2023 AT 09:00 A.M. AT PLOT NO. 3 B-44, NEAR MANAV MANDIR, KANTOL ROAD, YERLA, NAGPUR, MAHARASHTRA, INDIA- 441501 TO TRANSACT THE FOLLOWING BUSINESS, NAMELY.

ORDINARY BUSINESS:

Item No. 1 - Adoption of Financial Statements:

To consider, approve and adopt

(a) the audited standalone financial statement of the Company for the financial year ended March 31, 2023, and the reports of the Board of Directors and Auditors thereon; and the audited consolidated financial statement of the Company for the financial year ended March 31, 2023, and the report of Auditors thereon and, in this regard, to consider and if thought fit, to pass, the following resolutions as an Ordinary Resolution.

- **“RESOLVED THAT** pursuant to the provisions of Section 134 of the Companies Act, 2013, the audited financial statement of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted.”

Item No. 2 – Re-Appointment of Director retiring by rotation:

To appoint Mrs. Farheen Mansoorbhai Murtuza (DIN: 08965752), who retires by rotation as a director and, in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mrs. Farheen Mansoorbhai Murtuza (DIN: 08965752), who retires by rotation at this meeting, be and is hereby appointed as a Director (Managing Director) of the Company”.

SPECIAL BUSINESS:

Item No. 3- Regularise the appointment of, Mr. Avigat Ganeriwala (DIN: 05180575) as a director (Non-Executive and Independent Director) of the company:

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special resolution:

“RESOLVED THAT in accordance with the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Avigat Ganeriwala (DIN: 05180575), who was appointed as an Additional Director with effect from 21st October 2022, designated as an Independent Director, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a period of 1 year from the date of appointment as Independent Director”.

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Item No. 4- Regularise the appointment of, Mr. Neelkanth Dnyaneshwar Aher (DIN: 06498109) as a director (Non-Executive and Non-Independent Director) of the company:

To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Neelkanth Dnyaneshwar Aher (DIN: 06498109), who was appointed as an Additional Director (Non-Executive and Non-Independent Director) of the Company with effect from 23rd June, 2023, who holds office up to the date of this Annual General Meeting, and being eligible to offer himself for appointment and in respect of whom the Company has received a notice in writing from a Member, pursuant to the provisions of Section 160 of the Act, signifying his intention to propose the candidature of Mr. Neelkanth Dnyaneshwar Aher for the office of Director, be and is hereby appointed as a Director (Non-Executive and Non-Independent Director) of the Company, with effect from the date of this Meeting.”

Item No. 5- Regularise the appointment of, Mr. Sohan Chaturvedi (DIN: 09629728) as an Independent Director of the Company:

To appoint Mr. Sohan Chaturvedi (DIN: 09629728) as an Independent Director and in this regard, to consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT in accordance with the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Sohan Chaturvedi (DIN: 09629728), who was appointed as an Additional Director with effect from 06th September 2023, designated as an Independent Director, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature

for the office of Director, be appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term up to 06th September, 2028.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Item No. 6- Regularise the appointment of, Mr. Siddhesh Shankar Shende (DIN: 09629926) as an Independent Director of the Company:

To appoint Mr. Siddhesh Shankar Shende (DIN: 09629926) as an Independent Director and in this regard, to consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT in accordance with the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Siddhesh Shankar Shende (DIN: 09629926), who was appointed as an Additional Director with effect from 06th September 2023, designated as an Independent Director, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term up to 06th September, 2028.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

FOR MUZALI ARTS LIMITED

Sd/-

**Farheen Mansoorbhai Murtuza
Chairman and Managing Director
DIN: 08965752
Date: - 06.09.2023
Place: - Nagpur**

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy /proxies to attend and vote instead of himself /herself. Such a proxy/ proxies need not be a member of the company. In order that the appointment of a proxy is effective, the instrument appointing a proxy must be received at the registered office of the company not later than forty-eight hours. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten (10) percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person only as a proxy and such person shall not act as proxy for other shareholder.
2. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting pursuant to Section 113 of the Companies Act 2013, are requested to send the Company, a certified copy of the relevant Board Resolution together with respective specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the Meeting.
3. Members who wish to attend the meeting are requested to bring duly filled attendance sheet and their copy of the Annual Report at the Meeting.
4. In case of joint holders attending the Meeting, the joint holder who is higher in the order of names will be entitled to vote at the meeting.
5. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting of the Company. The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting of the Company.
6. The Register of Members and the Share Transfer Books of the Company will remain closed from, Friday, 22nd September 2023 to Friday, 29th September 2023(both days inclusive) for the purpose of Annual General Meeting for the financial year ended 31st March 2023.
7. Members holding shares in physical form are requested to forward all applications for transfers and all other share related correspondence (including intimation for change of address) to the Share Transfer Agents of the Company, Satellite Corporate Services Private Limited Unit No.49, Building No. 13AB, 2nd Floor, Samhita Commercial Co-op Society, Off Andheri Kurla Road, MTNL Lane, Sakinaka, Mumbai, Maharashtra, 400072. Tel: +91 (0)22 28520462. Email Id: info@satellitecorporate.com.
8. The transfer of Unclaimed Dividend to Investor Education & Protection Fund of the Central Government as required in terms of Section 124 of the Companies Act, 2013, during the current Financial Year is not applicable.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. The Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts and the Members holding shares in physical form can submit their PAN details to the Company.
10. Electronic copy of the Notice of the 28th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent

to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 28th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

11. The Notice of the 28th Annual General Meeting and the Annual Report for financial year 2022- 2023 will also be available on the Company's website www.muzaliarts.com for their download. The physical copies of the aforesaid documents will also be available at the Registered Office of the Company for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost.

12. Members are requested to kindly notify changes including email address, if any in their address to the company's registered office address, situated at Plot No. 3 B-44, Near Manav Mandir, Kantol Road Yerla, Nagpur, Maharashtra, India- 441501.

The procedure to login to e-Voting website consists of two steps as detailed hereunder:

Step 1: Log-in to NSDL e-Voting system

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL:

<https://www.evoting.nsdl.com/>.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password, and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e., IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e., Cast your vote electronically.

4. Your User ID details will be as per details given below:

a. **For Members who hold shares in demat account with NSDL:** 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****).

b. **For Members who hold shares in demat account with CDSL:** 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12***** then your user ID is 12*****).

c. **For Members holding shares in Physical Form:** Even Number followed by Folio Number registered with the company (For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***).

5. Your password details are given below:

a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.

c. How to retrieve your 'initial password'

I) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a) pdf file b) Open the pdf file. c) The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your 'User ID' and your 'initial password'.
II) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a. Click on "Forgot User Details/Password" (If you are holding shares in your Demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b. "Physical User Reset Password" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your Demat account number/folio number, your PAN, your name and your registered address.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system:

1. After successful login at Step 1, you will be able to see the home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of the Company.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail bhupendra@naavick.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL by email at evoting@nsdl.co.in or call on.: 1800 222 990.

Other Instructions:

1. The e-voting period commences on Tuesday, 26th September 2023 (9.00 a.m. IST) and ends on Thursday, 28th September, 2023 (5.00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Friday, 22nd September 2023, i.e. cutoff date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast the vote again.

2. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of voting, either through remote e-voting or voting at the AGM through electronic voting system or poll paper.

3. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

4. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

5. The result declared along with the Scrutinizer's Report shall be placed on the Company's website <https://muzaliarts.com/investor-relations> and on the website of NSDL www.evoting.nsdl.com immediately. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed. The results shall also be displayed on the notice board at the Registered Office of the Company.

FOR MUZALI ARTS LIMITED

Sd/-

Farheen Mansoorbhai Murtuza
Chairman and Managing Director
DIN: 08965752
Date: - 06.09.2023
Place: - Nagpur.

EXPLANATORY STATEMENT

PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

As required under Section 102 of the Companies Act, 2013, the following Statement sets out all material facts relating to the Special Business specified in item no. 4, 5 and 6 of the Notice of the Meeting. Information as required under Clause 1.2.5 of the Secretarial Standard on General Meetings (SS-2) is given below.

Item No. 3- Regularise the appointment of, Mr. Avigat Ganeriwala (DIN: 05180575) as a director (Non-Executive and Independent Director) of the company:

Pursuant to Section 161 of the Companies Act, 2013, the Board, on October 21, 2022, appointed Mr. Avigat Ganeriwala as an Additional Director in the capacity of Independent Director of the Company for a term of 1 (one) year with effect from October 21, 2022 to October 21, 2023 (both days inclusive) subject to the approval of the shareholders through a special resolution.

The Company has received the following from Mr. Avigat Ganeriwala:

- (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules");
- (ii) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that she is not disqualified under sub-section (2) of Section 164 of the Act;
- (iii) A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and under the LODR Regulations;
- (iv) Confirmation that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge her duties as an Independent Director of the Company.
- (v) A declaration that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of independent directors maintained by the Indian Institute of Corporate Affairs.

The Company has received a notice in writing by a member proposing his candidature under Section 160 of the Act.

The Nomination and Remuneration Committee (NRC) had previously finalized the desired attributes for the selection of the independent director(s). Based on those attributes, the NRC recommended the candidature of Mr. Avigat Ganeriwala. Further in the opinion of the Board, Mr. Avigat fulfils the conditions for independence specified in the Act, the Rules made thereunder, the LODR Regulations and such other laws / regulations for the time being in force, to the extent applicable to the Company. The Board noted that Avigat's skills, background and experience are aligned to the role and capabilities identified by the NRC and that he is eligible for appointment as an Independent Director. His brief resume, names of companies in which he holds Directorship, Committee Memberships/ Chairmanships, etc., are separately annexed hereto.

A copy of the draft letter for the appointment of Mr. Avigat Ganeriwala as an Independent Director setting out the terms and conditions is available for electronic inspection by the members during normal business hours on working days up to the date of Annual General Meeting.

The resolution seeks the approval of members for the appointment of as an Independent Director of the Company for a term of 1 (One) year w.e.f October 21, 2022 to October 21, 2023 (both days inclusive) pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder including any statutory modification(s) or re-enactment(s) thereof) and he shall not be liable to retire by rotation.

In compliance with Section 149 read with Schedule IV to the Act and Regulation 25 of the LODR Regulations, the approval of the Members is sought for the appointment of Avigat Ganeriwala as an Independent Director of the Company, as a special resolution.

None of the Directors or Key Managerial Personnel of the Company (including relatives of the Directors and Key Managerial Personnel) other than Mr. Avigat Ganeriwala himself, is concerned or interested, financially or otherwise, in this resolution.

The Board, therefore, recommends the Special Resolution, as set out in item No.3, for approval by the shareholders of the Company.

Item No. 4- Regularise the appointment of, Mr. Neelkanth Dnyaneshwar Aher (DIN: 06498109) as a director (Non-Executive and Non-Independent Director) of the company:

Mr. Neelkanth Dnyaneshwar Aher was appointed as Additional Director (Non-Executive and Non-Independent Director) with effect from 23rd June 2023, in accordance with the provisions of Section 161 read with section 149 of the Companies Act, 2013.

In terms of Section 161 of the Act, he will vacate office at this Annual General Meeting ("AGM") and be eligible to be appointed at the AGM, as recommended by the Nomination and Remuneration Committee and by the Board.

The Company has received notice under Section 160 of the Companies Act, 2013 from a member along with a deposit of Rs.1 lakh signifying his intention to propose the candidature Mr. Neelkanth Dnyaneshwar Aher for the office of Director of the Company. His brief resume, names of companies in which he holds Directorship, Committee Memberships/ Chairmanships, etc., are separately annexed hereto.

He is not related to any of the Directors or Key Managerial Personnel (including relatives of the Directors and Key Managerial Personnel) of the Company in terms of Section 2(77) of the Companies Act, 2013.

None of the Directors or Key Managerial Personnel of the Company (including relatives of the Directors and Key Managerial Personnel) other than Mr. Lalit Kripashankar Dave himself, is concerned or interested, financially or otherwise, in this resolution.

The Board, therefore, recommends the ordinary resolution, as set out in item No.4, for approval by the shareholders of the Company.

Item No. 5- Regularise the appointment of, Mr. Sohan Chaturvedi (DIN: 09629728) as an Independent Director of the Company:

Pursuant to Section 161 of the Companies Act, 2013, the Board, on September 06th, 2023, appointed Mr. Sohan Chaturvedi as an Additional Director in the capacity of Independent Director of the Company for a term of 5 (Five) years with effect from September 06th, 2023 to September 06th, 2028 (both days inclusive) subject to the approval of the shareholders through a special resolution.

The Company has received the following from Mr. Sohan Chaturvedi:

- (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules").
- (ii) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act.
- (iii) A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and under the LODR Regulations.
- (iv) Confirmation that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge her duties as an Independent Director of the Company.
- (v) A declaration that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of independent directors maintained by the Indian Institute of Corporate Affairs.

The Company has received a notice in writing by a member proposing his candidature under Section 160 of the Act.

The Nomination and Remuneration Committee (NRC) had previously finalized the desired attributes for the selection of the independent director(s). Based on those attributes, the NRC recommended the candidature of Mr. Sohan Chaturvedi. Further in the opinion of the Board, Mr. Sohan Chaturvedi fulfils the conditions for independence specified in the Act, the Rules made thereunder, the LODR Regulations and such other laws / regulations for the time being in force, to the extent applicable to the Company. The Board noted that Sohan's skills, background and experience are aligned to the role and capabilities identified by the NRC and that he is eligible for appointment as an Independent Director. His brief resume, names of companies in which he holds Directorship, Committee Memberships/ Chairmanships, etc., are separately annexed hereto.

A copy of the draft letter for the appointment of Mr. Sohan Chaturvedi as an Independent Director setting out the terms and conditions is available for electronic inspection by the members during normal business hours on working days up to the date of Annual General Meeting.

The resolution seeks the approval of members for the appointment of as an Independent Director of the Company for a term of 5 (Five) year w.e.f September 06th, 2023 to September 06th, 2028 (both days inclusive) pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder including any statutory modification(s) or re-enactment(s) thereof) and he shall not be liable to retire by rotation.

In compliance with Section 149 read with Schedule IV to the Act and Regulation 25 of the LODR Regulations, the approval of the Members is sought for the appointment of Mr. Sohan Chaturvedi as an Independent Director of the Company, as a special resolution.

None of the Directors or Key Managerial Personnel of the Company (including relatives of the Directors and Key Managerial Personnel) other than Mr. Sohan Chaturvedi himself, is concerned or interested, financially or otherwise, in this resolution.

The Board, therefore, recommends the Special Resolution, as set out in item No.5, for approval by the shareholders of the Company.

Item No. 6- Regularise the appointment of, Mr. Siddhesh Shankar Shende (DIN: 09629926) as an Independent Director of the Company:

Pursuant to Section 161 of the Companies Act, 2013, the Board, on September 06th, 2023, appointed Mr. Siddhesh Shankar Shende as an Additional Director in the capacity of Independent Director of the Company for a term of 5 (Five) years with effect from September 06th, 2023 to September 06th, 2028 (both days inclusive) subject to the approval of the shareholders through a special resolution.

The Company has received the following from Mr. Siddhesh Shankar Shende:

- (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules");
- (ii) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act;
- (iii) A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and under the LODR Regulations;
- (iv) Confirmation that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge her duties as an Independent Director of the Company.
- (v) A declaration that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of independent directors maintained by the Indian Institute of Corporate Affairs.

The Company has received a notice in writing by a member proposing his candidature under Section 160 of the Act.

The Nomination and Remuneration Committee (NRC) had previously finalized the desired attributes for the selection of the independent director(s). Based on those attributes, the NRC recommended the candidature of Mr. Siddhesh Shankar Shende. Further in the opinion of the Board, Mr. Siddhesh Shankar Shende fulfils the conditions for independence specified in the Act, the Rules made thereunder, the LODR Regulations and such other laws / regulations for the time being in force, to the extent applicable to the Company. The Board noted that Siddhesh's skills, background and experience are aligned to the role and capabilities identified by the NRC and that he is eligible for appointment as an Independent Director. His brief resume, names of companies in which he holds Directorship, Committee Memberships/ Chairmanships, etc., are separately annexed hereto.

A copy of the draft letter for the appointment of Mr. Siddhesh Shankar Shende as an Independent Director setting out the terms and conditions is available for electronic inspection by the members during normal business hours on working days up to the date of Annual General Meeting.

The resolution seeks the approval of members for the appointment of as an Independent Director of the Company for a term of 5 (Five) year w.e.f September 06th, 2023 to September 06th, 2028 (both days inclusive) pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder including any statutory modification(s) or re-enactment(s) thereof) and he shall not be liable to retire by rotation.

In compliance with Section 149 read with Schedule IV to the Act and Regulation 25 of the LODR Regulations, the approval of the Members is sought for the appointment of Mr. Siddhesh Shankar Shende as an Independent Director of the Company, as a special resolution.

None of the Directors or Key Managerial Personnel of the Company (including relatives of the Directors and Key Managerial Personnel) other than Mr. Siddhesh Shankar Shende himself, is concerned or interested, financially or otherwise, in this resolution.

The Board, therefore, recommends the Special Resolution, as set out in item No.6, for approval by the shareholders of the Company.

ANNEXURE TO THE NOTICE

REGULARISE THE APPOINTMENT OF MR. AVIGAT GANERIWALA (DIN: 05180575) (Item No.3 of the notice of 28th Annual General Meeting of Muzali Arts limited)

Brief profile of Mr. Avigat Ganeriwala:

Name of the Director	Avigat Ganeriwala
DIN	05180575
Date of birth and age	07/01/1987 and 36 Years
A brief resume, Qualification(s), Experience and Nature of expertise in specific functional areas, Recognition, or awards	<ul style="list-style-type: none">• He is a Qualified Cost Accountant and Chartered Accountant and also cleared Company Secretary Executive exam and secured All India 4th rank and WIRC Medal for 1 Western Region of Institute of Companies Secretary of India.• He had Qualified Bank Branch Concurrent Audit and Forensic Audit & Fraud Detection Course from Institute of Chartered Accountant of India and is a certified Bank Branch Concurrent Auditor.• He had also qualified Insurance and Risk Management and Information System Audit Course from Institute of Chartered Accountant

	<p>of India and having specialized in audit of Insurance Company, Risk Assessment, Risk Based Audit, Information System Audit, Data Processing and Information System Management.</p> <ul style="list-style-type: none"> Presently acts as an Managing Partner of M/s Ganeriwala & Co. (Chartered Accountants) having Head Office in Bangalore, Zonal Office Nagpur and Branch Office at Raipur and Kanpur.
Terms and conditions of appointment or re-appointment	<p>As per the applicable provisions of the Companies Act, 2013, and the Rules made thereunder (as amended from time to time).</p> <p>The company Proposed to regularise him as a Independent director under the category of Non-Executive Director of the Company. Except, the sitting fee for attending the meetings of the Board and its Committees, no other remuneration will be paid.</p>
Date of the appointment on the Board	21/10/2022
Relationship with other Directors and Key Managerial Personnel	None of the Directors and the Key Managerial Personnel of the Company is a relative of him as per the provisions of Section 2(77) of the Companies Act, 2013.
The number of Meetings of the Board attended during the Financial Year 2022-23	4
Other Directorships (excluding Muzali Arts Limited)	<p>1. Avsar Global Consultancy Services Private Limited</p> <p>2. Samrudh Bhav Foundation</p> <p>3. Buildnation Infra Private Limited</p>
Membership/ Chairmanship of Committees of other Boards (excluding Muzali Arts Limited)	<p>Member and Chairman of:</p> <ul style="list-style-type: none"> Audit Committee Nomination and Remuneration Committee Stakeholder Relationship Committee.

REGULARISE THE APPOINTMENT OF MR. NEELKANTH DNYANESHWAR AHER (DIN: 06498109)

(Item No.4 of the notice of 28th Annual General Meeting of Muzali Arts limited)

Brief profile of Mr. Neelkanth Dnyaneshwar Aher:

Name of the Director	Neelkanth Dnyaneshwar Aher
DIN	06498109
Date of birth and age	13/06/1977 and 46 Years

A brief resume, Qualification(s), Experience and Nature of expertise in specific functional areas, Recognition, or awards	He is professionally certified & educationally qualified as Advocate/Counsel/Attorney of the Supreme Court of India, Solicitor of the Supreme Court of England & Wales, Mediator, Arbitrator, Architect, and licensed to practice law in 187 countries/jurisdictions.
Terms and conditions of appointment or re-appointment	As per the applicable provisions of the Companies Act, 2013, and the Rules made thereunder (as amended from time to time). The company Proposed to regularise him as a Non-Executive director of the Company. Except, the sitting fee for attending the meetings of the Board and its Committees, no other remuneration will be paid.
Date of the appointment on the Board	23/06/2023
Relationship with other Directors and Key Managerial Personnel	None of the Directors and the Key Managerial Personnel of the Company is a relative of him as per the provisions of Section 2(77) of the Companies Act, 2013.
The number of Meetings of the Board attended during the Financial Year 2022-23	Nil
Other Directorships (excluding Muzali Arts Limited)	1. SGH Arts Private Limited 2. Aher Brothers Real Estate Holding (OPC) Private Limited
Membership/ Chairmanship of Committees of other Boards (excluding Muzali Arts Limited)	Member of the following committees: <ul style="list-style-type: none"> Audit Committee Nomination and Remuneration Committee

REGULARISE THE APPOINTMENT OF MR. SOHAN CHATURVEDI (DIN: 09629728)
(Item No.5 of the notice of 28th Annual General Meeting of Muzali Arts limited)

Brief profile of Mr. Sohan Chaturvedi:

Name of the Director	Mr. Sohan Chaturvedi
DIN	09629728
Date of birth and age	02/08/1987 and 36 Years
A brief resume, Qualification(s), Experience and Nature of expertise in specific functional areas, Recognition, or awards	He has completed his Bachelor of Commerce and Master of Commerce from Agra University and having an experience and expertise in the areas of Finance & Accounting.
Terms and conditions of appointment or re-appointment	As per the applicable provisions of the Companies Act, 2013, and the Rules made thereunder (as amended from time to time).

	The company Proposed to regularise him as an independent director under the category of Non-Executive Director of the Company. Except, the sitting fee for attending the meetings of the Board and its Committees, no other remuneration will be paid.
Date of the appointment on the Board	06/09/2023
Relationship with other Directors and Key Managerial Personnel	None of the Directors and the Key Managerial Personnel of the Company is a relative of him as per the provisions of Section 2(77) of the Companies Act, 2013.
The number of Meetings of the Board attended during the Financial Year 2022-23	Nil
Other Directorships (excluding Muzali Arts Limited)	Nil
Membership/ Chairmanship of Committees of other Boards (excluding Muzali Arts Limited)	Nil

REGULARISE THE APPOINTMENT OF MR. SIDDHESH SHANKAR SHENDE (DIN: 09629926)

(Item No.6 of the notice of 28th Annual General Meeting of Muzali Arts limited)

Brief profile of Mr. Siddhesh Shankar Shende:

Name of the Director	Mr. Siddhesh Shankar Shende
DIN	09629926
Date of birth and age	30/07/1991 and 32 Years
A brief resume, Qualification(s), Experience and Nature of expertise in specific functional areas, Recognition, or awards	He has completed his Bachelor of Science (B. Sc) from Mumbai University and having an experience and expertise in the areas of Information Technology, Administration & Logistics.
Terms and conditions of appointment or re-appointment	As per the applicable provisions of the Companies Act, 2013, and the Rules made thereunder (as amended from time to time). The company Proposed to regularise him as an independent director under the category of Non-Executive Director of the Company. Except, the sitting fee for attending the meetings of the Board and its Committees, no other remuneration will be paid.
Date of the appointment on the Board	06/09/2023

Relationship with other Directors and Key Managerial Personnel	None of the Directors and the Key Managerial Personnel of the Company is a relative of him as per the provisions of Section 2(77) of the Companies Act, 2013.
The number of Meetings of the Board attended during the Financial Year 2022-23	Nil
Other Directorships (excluding Muzali Arts Limited)	GENPHARMASEC Limited
Membership/ Chairmanship of Committees of other Boards (excluding Muzali Arts Limited)	Nil

Muzali Arts Limited

Registered office: Plot No. 3, B-44, Near Manav Mandir, Kantol Road, Yerla, Nagpur, Maharashtra – 441501

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

DP ID*	
Client ID*	

Folio No.	
No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER/PROXY _____
_____ I hereby record my presence at
the 28th Annual General Meeting of the Company at Plot No. 3 B- 44, Near Manav Mandir, Kantol Road,
Yerla, Nagpur, Maharashtra, India – 441501 on Friday, 29th September, 2023 at 09.00 A.M.

Name of the Member/ Proxy

Signature of the Member / Proxy

Note:

1. Please complete the Folio/DP ID-Client ID No. and name, sign the Attendance Slip and hand it over at the Attendance Verification counter at the entrance of the Meeting Hall.
2. Electronic copy of the Annual Report including notice of Annual General Meeting for the financial year ended on 31.03.2023 and Attendance Slip along with Proxy Form is being sent to all the members whose e-mail address is registered with the Company / Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
3. Physical copy of Annual Report for the financial period ended on 31.03.2023 and Notice of Annual General Meeting along with Attendance Slip and Proxy Form is being sent in the permitted mode(s) to all members whose email is not registered or have requested for a hard copy.

Muzali Arts Limited

Registered office: Plot No. 3, B-44, Near Manav Mandir, Kantol Road, Yerla, Nagpur, Maharashtra – 441501

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

PROXY FORM

Name of the Members			
Registered Address:			
Email ID:			
Folio No. Client ID:		DP ID:	

I/We, being the member (s) of _____ shares of the above-named Company, hereby Appoint

1.Name: _____

Address: _____

Email-Id: _____

Signature: _____ or failing him

1.Name: _____

Address: _____

Email-Id: _____

Signature: _____ or failing him as

my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28th Annual General Meeting of Muzali Arts Limited to be held on the 29th day of September, 2023 at 09.00 A.M. on Friday at Plot No. 3 B- 44 Near Manav Mandir Kantol Road Yerla Nagpur Maharashtra - 441501 and at any adjournment thereof in respect of such Resolutions as are indicated below:

Resolutions	For	Against
1. Adoption of Standalone and Consolidated Financial Statements.		
2. Re-appointment of director retire by rotation		
3. Regularise the appointment of, Mr. Avigat Ganeriwala (DIN: 05180575) as a director (Non-Executive and Independent Director) of the company		
4. Regularization of Additional Director, Mr. Neelkanth Dnyaneshwar Aher (DIN: 06498109) as a director (Non-Executive and Non-Independent Director) of the company		
5. Regularise the appointment of, Mr. Sohan Chaturvedi (DIN: 09629728) as an Independent Director of the Company		

6. Regularise the appointment of, Mr. Siddhesh Shankar Shende (DIN: 09629926) as an Independent Director of the Company		
---	--	--

Signed this _____ day of _____ 2023

Signature of Shareholder _____

Signature of Proxy Holder(s) _____

Affix Stamp	Revenue
----------------	---------

NOTES:

1. This form of proxy to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. Please complete all details including details of member(s) before submission.

Form No. MGT-12
Polling Paper

Sr. No. _____

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company	Muzali Arts Limited CIN: L20100MH1995PLC322040
Registered office	Plot No. 3, B-44, Near Manav Mandir, Kantol Road, Yerla, Nagpur, Maharashtra, India-441501

BALLOT PAPER

Sr. No.	Particulars	Details
1	Name of the First named Shareholder (In block letters)	
2	Postal address	
3	Registered folio No./ * Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4	Class of Share	Equity

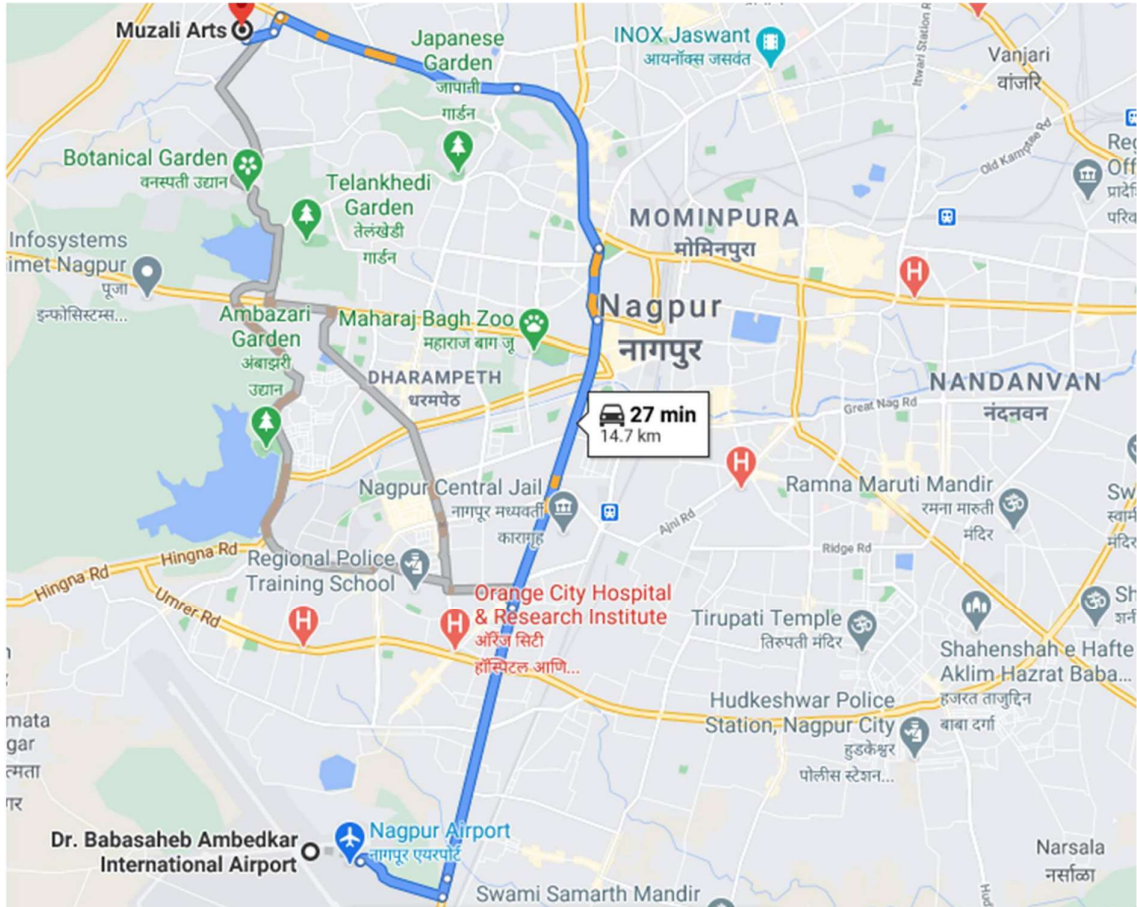
I/We hereby exercise my/our vote in respect of Resolutions set out in the Notice of the **Annual General Meeting (AGM)** of the Company to be held on **Friday the 29th day of September 2023** by sending my/our assent or dissent of the said Resolutions by placing the tick (✓) in the appropriate boxes given below -:

No.	Item No.	No. of Shares held by me	I Assent to the Resolution (✓)	I Dissent from the Resolution (✓)
1	Adoption of Standalone and Consolidated Financial Statements.			
2	Re-appointment of retiring director			

3	Regularise the appointment of, Mr. Avigat Ganeriwala (DIN: 05180575) as a director (Non-Executive and Independent Director) of the company			
4	Regularization of Additional Director, Mr. Neelkanth Dnyaneshwar Aher (DIN: 06498109) as a director (Non-Executive and Non-Independent Director) of the company			
5	Regularise the appointment of, Mr. Sohan Chaturvedi (DIN: 09629728) as an Independent Director of the Company			
6	Regularise the appointment of, Mr. Siddhesh Shankar Shende (DIN: 09629926) as an Independent Director of the Company			
Place: Date:		Signature of Shareholder(s)/ Proxy Holder		

ROUTE MAP

Route Map of the AGM Venue: Plot No. 3 B-44, Near Manav Mandir, Kantol Road, Yerla, Nagpur, Maharashtra, India-441501



DIRECTORS' REPORT

To,
The Members

Your directors have pleasure in presenting the 28th Annual Report on the business and operations of the Company together with the Audited Financial Statement of Accounts for the year ended 31st March 2023.

FINANCIAL RESULTS

The financial highlights of the current year in comparison to the previous year are as under.

A) STANDALONE:

(Amount in Rupees)

PARTICULARS	2022-23	2021-22
Total Revenue	1,43,96,018	3,12,93,490
Less: Operating Expenses	2,14,13,070	2,69,81,649
Gross Profit/(Loss) before Depreciation and Interest	(70,17,052)	43,11,841
Less: Finance Costs	10,83,333	12,50,000
Depreciation and Amortization Expense	1,03,688	1,16,887
Profit/(Loss) before Tax Before exceptional and extra-ordinary items	(82,04,073)	29,44,954
Exceptional and Extra-ordinary Item	2,45,00,843	-
Profit/(Loss) before Tax after exceptional and extra-ordinary items	(3,27,04,916)	29,44,954
Less: Tax Expense (Net)	7,94,013	4,57,480
Profit/(Loss) After Tax	(3,19,10,903)	24,87,474
Add: Other comprehensive Income	5,89,93,382	1,19,61,932
APPROPRIATIONS	--	--
Proposed Dividend	--	--
Tax on the proposed dividend	--	--
Transfer to General Reserve	--	--
Balance carried to Balance Sheet	2,70,82,479	1,44,49,406

REVIEW OF OPERATION

The total revenue of your Company for the year under review is Rs. 1,43,96,018 as compared to Rs. 3,12,93,490 for the previous year ended 31st March 2022. The company suffers the loss of Rs. 3,19,10,903 as against the profit of Rs. 24,87,474 of the Previous Year.

The projects undertaken by the Company are under different stages of execution, and the performance of the Company during the current year i.e., 2022-23 is expected to be in accordance with Company's plans.

DIVIDEND

Your directors do not recommend any dividend for the Financial Year ended March 31, 2023.

THE AMOUNTS PROPOSED TO CARRY TO ANY RESERVES

The Company does not propose to transfer any amount to the general reserve for the financial year ended March 31, 2023.

DEPOSITS

During the year under review, your Company has neither accepted nor renewed any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

The details of money accepted and received from the directors or the relatives of directors of the company have been disclosed in the financial statements.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92 of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return will be available on the website of the Company on the following link: www.muzaliarts.com

THE DISCLOSURE OF REMUNERATION DETAILS AND PARTICULARS OF EMPLOYEES

The disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and a statement showing the names, remuneration received, and other particulars of top ten employees as prescribed in Rules 5(2) and 5(3) of the aforesaid Rules, are provided in **ANNEXURE – I**.

During the year under review, no employee of your company drawn the remuneration in excess of the prescribed limits as laid down in rule 5(2) i.e., Employees who (i) was employed throughout the financial year and received remuneration in the aggregate, not less than rupees one crore and two lakh, (ii) employed for a part of the financial year and received remuneration, in the aggregate, not less than rupees eight lakh and fifty thousand per month. Also, during the year under review, no employee of your company was employed throughout the financial year under review or part thereof and received remuneration which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP) APPOINTMENT OR RESIGNATION

A) APPOINTMENT:

During the year under review the Board of Directors regularize the appointment of Mr. Lalit Kripashankar Dave (DIN: 08483990) as Director (Non-Executive and Non-Independent Director) on the Board of the company after approval from the member in last Annual general meeting held on 30th September 2022.

Further the Board of Directors of the company on the recommendation of the Nomination and Remuneration Committee ("NRC") appointed Mr. Avigat Ganeriwala (DIN: 05180575) as an Additional Director and designated as Independent Director on the Board with effect from 21st October 2022 to hold office for the one year subject to approval of member in the ensuing General Meeting.

Moreover, on the recommendation of the Nomination and Remuneration Committee ("NRC") Mr. Neelkanth Dnyaneshwar Aher (DIN: 06498109) has been appointed on the Board as additional director with effect from 23rd June 2023 subject to the approval of members in ensuing General Meeting.

The brief profile(s) of the director(s) seeking appointment/reappointment at the ensuing Annual General Meeting are presented in the notice.

B) RE-APPOINTMENTS:

Pursuant to the requirements of the Companies Act, 2013 and Articles of Association of the Company. Mrs. Farheen Mansoorbhai Murtuza (DIN: 08965752) Director of the Company who is liable to retire by rotation and hence in the current financial year Farheen Mansoorbhai Murtuza (DIN: 08965752) is being considered for the Directors liable to retire by rotation.

Therefore, Farheen Mansoorbhai Murtuza (DIN: 08965752) retire at the ensuing Annual General Meeting and being eligible, seek their re-appointment on the board of the company. The Board of Directors on the recommendation of the Nomination and Remuneration Committee ("NRC") has recommended her reappointment.

The brief profile(s) of the director(s) seeking appointment/reappointment at the ensuing Annual General Meeting are presented in the notice.

None of the Independent directors will retire at the ensuing Annual General Meeting.

C) RESIGNATION:

During the year under review Mrs. Mala Brijlal Lalchandani (DIN: 07161506) has resigned from the Board as Independent Director with effect from 26th July 2022. The Board places on record its appreciation for the valuable contribution made by her during her tenure as Independent Director of the Company.

Further, Mr. Vishal Jaisingh Ladharam resigned from the position of Independent Director w.e.f. 19th June 2023. The Board in its Meeting dated 23rd June 2023 placed on record its appreciation for the Services, assistance and guidance provided by Mr. Vishal Jaisingh Ladharam.

D) CHANGES IN KEY MANAGERIAL PERSONNEL:

During the Financial year 2022-23, Mr. Lalit Kripashankar Dave the Chief Financial Officer has resigned as Chief Financial Officer of the Company with effect from 23rd July, 2022 and Subsequently appointed Mr. Ankur Vijay Rathi as Chief Financial Officer of the Company with effect from 12th January, 2023 to fulfil the requirement of Section 203 of the Companies Act, 2013.

Further, Mr. Rohit Raghunath Jadhav the Company Secretary has resigned as Company Secretary and Compliance Officer of the Company with effect from 06th January 2023 and Subsequently appointed Ms. Nidhi Harshvinod Gandhi as Company Secretary and Compliance officer of the Company with effect from 01st February 2023 to fulfil the requirement of Section 203 of the Companies Act, 2013.

The following have been designated as the Key Managerial Personnel of the Company pursuant to sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Key Managerial Personnel as on 31st March 2023:

Sr. No	Name of Key Managerial Personnel	Designation
1	Mrs. Farheen Mansoorbhai Murtuza	Managing Director
2	Mr. Ankur Vijay Rathi	Chief Financial Officer

NUMBER OF MEETINGS OF THE BOARD

Thirteen (13) meetings of the Board of Directors were held during the year 2022-23 dates of the meeting are as follows:

Sr. No	Date of Meetings
1	15 th April, 2022
2	30 th May, 2022
3	21 st June, 2022
4	25 th July, 2022
5	13 th August, 2022
6	07 th September, 2022

7	21 st October, 2022
8	15 th November, 2022
9	16 th December, 2022
10	12 th January, 2023
11	14 th February, 2023
12	08 th March, 2023
13	10 th March, 2023

Composition of the Board as on 31st March 2023 was as under:

Sr. No	Directors	Designation	No. of Meetings No. held during his / her tenure and attended.	
			Held	Attended
1	Farheen Mansoorbhai Murtuza	Managing Director	13	13
2	Vishal Jaisingh Ladharam	Independent Director	13	7
3	Lalit Kripashankar Dave	Non-Executive Director	9	9
4	Avigat Ganeriwala	Additional Director	6	4
5	Ankur Rathi	Chief Financial Officer	3	3

INDEPENDENT DIRECTOR

A) DECLARATION BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149

As on March 31, 2023, Mr. Vishal Jaisingh Ladharam and Mr. Avigat Ganeriwala are the Independent Directors on the Board of the company.

The Company has received declaration(s) from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and are independent of the management. The Board of Directors of the Company has taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same. They are not liable to retire by rotation in terms of Section 149(13) of the Act.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise in the fields of science and technology, finance, governance, human resources, sustainability, etc. and that they hold highest standards of integrity.

All the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013.

All the Independent Directors have confirmed their respective registrations in the Independent Directors Databank.

B) FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

At the time of appointment, the Company conducts familiarization programmes for an Independent Director through meetings with key officials of the Company. During these meetings, presentations are made on the roles and responsibilities, duties and obligations of the Director, Company's business, Company's strategy, financial reporting, governance and compliances and other related matters.

C) BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, Board, Committees and individual directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed by SEBI Listing Regulations.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors based on the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members based on the criteria such as the composition of committees, effectiveness of committee meetings etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors based on the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

COMMITTEES OF THE BOARD

Pursuant to the requirement under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has constituted Committees of the Board i.e., Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

A) AUDIT COMMITTEE:

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013. Apart from that all the matters provided in Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013, the Audit committee review reports of the Internal Auditor, meet Statutory Auditors as and when required and discusses their findings, suggestions, observations, and other related matters and reviews major accounting policies followed by the Company.

The Audit Committee is duly constituted, during the Financial Year ended 31st March 2023, 4 (Four) Meetings of the Audit Committee were held i.e. on 30th May 2022, 13th August 2022, 15th November 2022, and 14th February 2023.

The Composition of the Audit Committee as on 31/03/2023 is as under:

Sr. No.	Name of Director	Designation	Category	No. of Meetings No. held during his / her tenure and attended.	
				Held	Attended
1	Vishal Jaisingh Ladharam	Chairman	Independent Director	4	4
2	Avigat Ganeriwala	Member	Independent Director	2	2
3	Farheen Mansoorbhai Murtuza	Member	Executive Director (MD)	4	4

B) NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013.

Apart from that all the matters provided in Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee identifies (a) criteria for determining qualifications, positive attributes, independence of a director, etc. and (b) guiding principles for payment of remuneration to Directors, Key Managerial Personnel and other employees, are provided in the Corporate Governance Report.

The Nomination and Remuneration Committee is duly constituted, during the Financial Year ended 31st March 2023, 2 (Two) Meetings of the Nomination and Remuneration Committee were held i.e. on 21st October 2022 and 12th January 2023.

The Composition of the Nomination and Remuneration Committee as on 31/03/2023 is as under:

Sr. No.	Name of Director	Designation	Category		No. of Meetings No. held during his / her tenure and attended.
				Held	Attended
1	Vishal Jaisingh Ladharam	Chairman	Independent Directo	2	2
2	Avigat Ganeriwala	Member	Independent Director	1	1
3	Farheen Mansoorbhai Murtuza	Member	Executive Director (MD)	2	2
4	Lalit Kripashankar Dave	Member	Non- Executive Director	2	2

C) STAKEHOLDERS RELATIONSHIP COMMITTEE:

The scope of the Shareholders relationship Committee is to review and address the grievance of the shareholders in respect of share transfers, transmission, non-receipt of annual report, non-receipt of dividend etc, and other related activities. In addition, the Committee also investigates matters which can facilitate better investor's services and relations. The Stakeholders' Relationship Committee is duly constituted, during the Financial Year ended on 31st March 2023. Meetings of the Stakeholders' Relationship Committee were held on 16/12/2022.

The Composition of the Shareholders relationship Committee as on 31/03/2023 is as under:

Sr. No.	Name of Director	Designation	Category	No. of Meetings No. held during his / her tenure and attended.	
				Held	Attended
1	Vishal Jaisingh Ladharam	Chairman	Independent Directo	1	1
2	Avigat Ganeriwala	Member	Independent Director	1	1
3	Farheen Mansoorbhai Murtuza	Member	Executive Director (MD)	1	1

INTERNAL FINANCIAL CONTROLS AND ITS ADEQUACY.

The Management had reviewed the design, adequacy, and operating effectiveness of the Internal Financial Controls of the Company.

Further, during FY 2022-23, Management testing has been conducted on a sample basis for all key processes. The Internal Audit team has also conducted a review of the Internal Financial Controls. Remedial action has been taken or agreed upon with a finite closure date for controls where weaknesses were identified. There are no material unaddressed internal financial controls related observations outstanding as at March 31, 2023. Based on the above, the Board believes that adequate Internal Financial Controls exist and are operating effectively.

STATUTORY AUDITORS AND AUDITOR'S REPORT

M/s. Gupta Ravi & Associates., Chartered Accountants, (Firm Registration No. 006970N), were appointed as Statutory Auditors for a period of 5 years, commencing from the conclusion of the 27th Annual General Meeting held on 30th September 2022 till the conclusion of the 32nd Annual General Meeting of the Company to be held in the year 2027.

The Notes on Financial Statements referred to in the Auditors Report are self-explanatory and do not call for any further comments.

The qualification, reservation, observation, adverse remark, or disclaimer reported in the Statutory Auditors report for the year ended 31st March 2023 forming part of the Annual Report are self-explanatory and do not call for any further comments. Further, The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

COST RECORDS AND COST AUDIT

The provisions relating to maintenance of Cost Records as specified by the Central Government under Section 148 of the Companies Act, 2013 is not applicable to the Company for the financial year 2022-23. Also, as per rule 4 of the Companies (Cost Records and Audit) Rules, 2014, cost audit is not applicable to your company. Accordingly, the cost auditor is not appointed for the financial year 2022-23.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed Smt. Yugandhara Kothalkar, Practicing Company Secretary, to undertake the Secretarial Audit of the Company for the financial year 2022-23. A Secretarial Audit Report given by the Secretarial Auditors in Form No. MR-3 is annexed with this Report as **ANNEXURE - II**.

EXPLANATION OR COMMENTS TO QUALIFICATION, RESERVATION, ADVERSE REMARK OR DISCLAIMER MADE, IF ANY, IN THE STATUTORY AUDITORS' REPORT AND THE SECRETARIAL AUDIT REPORT.

The qualification, reservation, observation, adverse remark or disclaimer reported in Statutory Auditors' Report, and the Secretarial Audit Report to the members, for the year ended March 31, 2023

are self-explanatory and does not call for any further comments. However, the reply of the Board to the 'emphasis of matter' reported in the Statutory Auditors' Reports is given in the 'Auditors Report' clause above.

During the year, there were no instances of frauds reported by the auditors under section 143(12) of the Companies Act, 2013 to the Audit Committee.

DISCLOSURE OF ACCOUNTING TREATMENT

The financial statements have been prepared and presented under the historical cost basis except for certain financial instruments which are measured at fair value or amortized cost and accrual basis of accounting, unless otherwise stated, and are in accordance with Generally Accepted Accounting Principles in India ('GAAP'), statutory requirements prescribed under the Accounting Standards ('AS') specified under Section 133 of the Companies Act, 2013 read together with the Companies (Accounting Standards) Rules, 2021, in so far as they are applicable to the Company.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As on 31st March 2023, the Company has one US based Subsidiary named "Jalan Jalan Collection Inc." engaged in interior design industry and offers products suitable for both commercial and residential design and offers turn-key solutions for new homeowners, from design inspiration to quick delivery & installation and one stop location for all things designs and furniture.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable as the Net worth of the Company is less than rupees Five Hundred Crore, Turnover less than rupees One Thousand Crore and Net Profit less than rupees Five Crore.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), a separate report on Management Discussion and Analysis is enclosed as an **ANNEXURE -III** to the Director's Report.

CORPORATE GOVERNANCE

As per Regulation 15(2) of SEBI (Listing Obligation and Disclosures requirement) Regulation, 2015, report on Corporate Governance shall not apply on listed entity having paid up equity share capital not exceeding rupees ten crore and net worth not exceeding rupees twenty-five crore, as on the last day of the previous financial year hence, the report on Corporate Governance is not applicable on the company.

SHARE CAPITAL

In the beginning of the year your company has a paid-up capital of Rs. 5,08,48,000.

During the Financial Year 2022-23 dated 15th April 2022, your Company has converted 21,50,000 warrants held by promotor group into Equity Shares in the ratio of 1:1.

Further on 16th December 2022 your Company has allotted 61,66,667 equity shares on preferential basis having face value of Rs. 1/- each fully paid-up at a premium of Rs.2/-per share.

Consequent to the above, the subscribed, issued and paid-up equity share capital of your Company as on March 31, 2023, stood at Rs. 5,91,64,667/- comprising of 5,91,64,667 Equity Shares of Rs.1 /- each.

WHISTLEBLOWER POLICY

In pursuance of provisions of the Companies Act, 2013, and the Listing Regulations Company has formulated Whistle Blower Policy (Vigil Mechanism) with a view to providing a mechanism for (i) directors and employees of the Company to freely communicate/report genuine concerns or/and grievances about illegal or unethical practices, unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy, and (ii) the stakeholders of the company to freely communicate their concerns about illegal or unethical practices, and to approach the Whistle Officer/Chairman of the Audit Committee of the Company to, inter-alia, report the same to the management. This Policy is an extension of the Company's Code of Conduct.

The Audit Committee oversees the vigil mechanism through the committee. This Policy inter-alia provides direct access to the Chairman of the Audit Committee.

The Whistle Officer/Chairman of the Audit Committee shall submit a report to the Audit Committee on a regular basis about all the complaints referred to her since the last report together with the results of investigations, if any.

MAJOR EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

A) Material changes and commitments if any affecting the financial position of the Company occurred between the end of the financial year to which this Financial Statements relate and the date of the report

There have been no material changes and commitments, affecting the financial position of the Company which occurred during the period between the end of the financial year to which the financial statements relate and the date of this report.

(B) Change in the Nature of Business

There is no change in the nature of business of the Company.

(C) Details of significant and material orders passed by the regulators/ courts/ tribunals impacting the going concern status and the Company's operations in future.

There are no significant material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations.

DEMATERIALISATION OF SHARES

97.97% of the company's paid up Equity Share Capital is in dematerialized form as on 31st March, 2023 and balance 2.03% is in physical form. Shareholders holding shares in physical form are once again advised to dematerialize their shares to avoid the risk associated with the physical holding of share certificates and for facilitating easy liquidity for shares. The Company's Registrars are Satellite

Corporate Services Pvt Ltd, Unit No 49, Building No 13AB, 2nd Floor, Samhita Commercial Co-Op Society Ltd, Off Andheri Kurla Road, MTNL Lane, Sakinaka, Mumbai -400072.

COMPANY'S POLICY ON PROHIBITION AND REDRESSAL OF HARASSMENT OF WOMEN AT WORKPLACE.

Your Company is committed to provide work environment that ensures every employee is treated with dignity and respect and afforded equitable treatment. The Company is also committed to promoting a work environment that is conducive to the professional growth of its employees and encourages equality of opportunity and will not tolerate any form of sexual harassment and to take all necessary steps to ensure that its employees are not subjected to any form of harassment.

Thus, in order to create a safe and conducive work environment the Company has in place a policy for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition, & Redressal) Act, 2013. Further, the Company has complied with provisions relating to constitution of Internal Complaints Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition, & Redressal) Act, 2013. The Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, trainees, temporary) are covered under this policy. The Company did not receive any complaint during the period under review.

THE CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the business of the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Pursuant to Section 186 of Companies Act, 2013 and Schedule V of the SEBI Listing Regulations, disclosure on particulars relating to Loans, Advances, Guarantees and Investments are provided as part of the financial statements.

RELATED PARTY TRANSACTIONS

During the year under review, all transactions entered by the Company with Related Parties were in the Ordinary Course of Business and at Arm's Length pricing basis, details relating to related party transactions made by the Company in pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are disclosed as required by the applicable accounting standards have been made in the Notes to the financial statements and the details of Related Party Transactions have been entered in the Form AOC-2, which is annexed, to this report as **ANNEXURE-IV**.

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

In terms of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, the particulars of conservation of energy, technology absorption, foreign exchange earnings, and outgo, are provided below:

CONSERVATION OF ENERGY:

With respect to conservation of energy pursuant to rule 8 (3) A of the Companies (Accounts) Rules 2014 –

Sr. No	Particulars	Steps/Amount
1.	Steps taken or impact on conservation of energy	Nil
2.	Steps taken by the company for utilizing alternate sources of energy	Nil
3.	Capital investment on energy conservation equipment	Nil

TECHNOLOGY ABSORPTION:

With respect to technology absorption pursuant to Rule 8(3) B of the Companies (Accounts) Rules 2014 are not given as the Company has not spent any amount towards technology absorption.

FOREIGN EXCHANGE EARNING AND OUTGO:

Information pursuant to Rule 8 (3) C of the Companies (Accounts) Rules.

During the Financial Year 2022-23 the company has no foreign exchange earnings and outgo.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the applicable provisions of Secretarial Standards issued by the Institute of Company Secretaries of India.

INSIDER TRADING

In compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 and to preserve the confidentiality and prevent misuse of unpublished price sensitive information, the Company has adopted a code of conduct to Regulate, Monitor and Report Trading by Insiders ('Insider Trading Code') and code of Practices and Procedures for Fair Disclosure of unpublished Price Sensitive Information ('Code of Fair Disclosure').

The Insider Trading Code is intended to prevent misuse of unpublished price sensitive information by insiders connected persons and ensure that the Directors and specified persons of the Company and their dependents shall not derive any benefit or assist others to derive any benefit from access to and possession of price sensitive information about the Company, which is not in the public domain, that is to say, insider information.

The code of Fair Disclosure ensures that the affairs of the Company are managed in a fair, transparent and ethical manner keeping in view the need and interest of all the Stakeholders.

ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEES, AND INDIVIDUAL DIRECTORS

The evaluation of Board, Committee(s), and individual Directors was carried out based on a structured questionnaire encompassing parameters such as performing statutory duties, level of engagement and contribution, independence of judgment, etc. Further, the details on performance evaluation criteria are provided in the Corporate Governance Report.

THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the year under review, Company has not made any application under the Insolvency and Bankruptcy Code, 2016.

THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable.

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT.

Your company has received notice from Bombay Stock Exchange dated 29th day of August, 2023 at regarding Suspension of trading in securities of companies for non-compliances with provisions of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. w.e.f 29th day of September 2023. Further, the company had already filed Appeal to Securities Appellate Tribunal (SAT) for waiver of Standard operating Procedure (SOP) fines levied for Non-compliance with provisions of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING THE COMPANY

During the year 2022-2023, the Company has not entered into any agreement which is binding the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) the Companies Act, 2013 and based upon representations from the Management, the Board, to the best of its knowledge and belief, states that:

- (a) In the preparation of the annual accounts for the financial year ended March 31, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as on March 31, 2023, and of the profit and loss of the company for the financial year ended March 31, 2023;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis; and
- (e) The Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory, and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2022-2023.

ACKNOWLEDGEMENTS

Your directors place on records their sincere appreciation to the Shareholders, Investors, Financial Institutions, Banks, Suppliers, Government, and Semi-Government agencies for their continued assistance and co-operation extended to the Company and wishes to place on record their appreciation of employees for their hard work, dedication, and commitment.

FOR MUZALI ARTS LIMITED

Sd/-

Farheen Mansoorbhai Murtuza
Chairman and Managing Director

DIN: 08965752

Date: - 06.09.2022

Place: - Nagpur

ANNEXURE I

Disclosure of remuneration details required under section 197(12) of the Companies Act, 2013

- ❖ Ratio of remuneration of each executive director to the median remuneration of the Employee of the company for the financial year 2022-23, the percentage increase in the remuneration of Chief Executive Director, Chief Financial Officer, Executive Director and Company Secretary during the financial year 2022-23.

Sr. No	Name of Director /KMP	Designation	Ratio of remuneration of each director to median remuneration of Employees	Percentage increase in remuneration
1	Farheen Mansoorbhai Murtuza	Managing Director	1:39.27	NIL
2	Lalit Kripashankar Dave	CFO (till 23 rd July 2022)	1:7.04	NIL
3	Vishal Jaisingh Ladharam	Independent Director	NA	NIL
4	Avigat Ganeriwala	Independent Director	NA	NIL
5	Mala Brijlal Lalchandani	Independent Director	NA	NIL
6	Lalit Kripashankar Dave	Non-Executive Director	NA	
6	Ankur Rathi	Chief Financial Officer	NA	NIL
7	Rohit Raghunath Jadhav	Company Secretary	1:3.44	NIL

a) The remuneration of Directors does not include Sitting Fee, Gratuity and retirement benefits.

b) The remuneration of KMP does not include perquisite.

c) Independent Directors are paid only sitting fee which is not included in Remuneration.

** Mr. Vishal Jaisingh Ladharam ceased to be a director w.e.f 19th June 2023 and Ms. Mala Brijlal Lalchandani ceased to be a director w.e.f.26th July, 2022.*

- ❖ The percentage increase in the median remuneration of employees in the financial year is **NIL**

- ❖ The company has **no** permanent employees on the rolls of company as on 31/03 2023.

- ❖ **Relationship between average increase in remuneration and company's performance:**

Every year, the salary increase for the Company is decided on the basis of a benchmarking exercise that is undertaken with similar profile organisations. The final salary increases given are a function of Company's market competitiveness in this comparator group as well as overall business affordability. During the year, similar approach was followed to establish the remuneration increases to the Employees Variable compensation is an integral part of our total reward package and is directly linked to an individual performance rating and business performance.

Salary increases during the year was NIL and in line with Company's performance as well as pre-Company's market competitiveness.

- ❖ **Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:**

In line with Company's reward philosophy, merit increase and annual bonus pay-outs of its Employees including Key Managerial Personnel are directly linked to individual performance as well as that of the business. Given the superior business performance and the performance rating of the Key Managerial Personnel, appropriate reward by way of merit increase or variable pay have been awarded to the Key managerial Personnel for the current year. This was duly reviewed and approved by the Nomination and Remuneration Committee of the Company.

- ❖ Average percentage increase made in the salaries of Employees other than the managerial personnel as well as increase in the managerial personnel remuneration was NIL.

The average increase in every year is an outcome of Company's market competitiveness as against its peer group companies.

- ❖ **The key parameters for any variable component of remuneration:**

Package for all Employees including Executive Directors, Annual Bonus is directly linked to an individual performance rating and business performance. At the start of the year, every Employee (including Executive Directors), have key targets assigned for the year in addition to their job fundamentals. These are drawn from the organisational strategic plan and are then reviewed for consistency and stretch, Business targets are a combination of goals such as Underlying Volume Growth, Underlying Sales Growth, Core Operating Margin etc.

- ❖ The ratio of the remuneration of the Director to that of the Employees who are not Directors but receive remuneration in excess of the highest paid Director during the year is not applicable.

- ❖ It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

FOR MUZALI ARTS LIMITED
(Formerly known as Welcon International Limited)

Sd/-
Farheen Mansoorbhai Murtuza
Chairman and Managing Director
DIN: 08965752
Date: - 06.09.2023
Place: - Nagpur

ANNEXURE II

**Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023
(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,
MUZALI ARTS LIMITED,
CIN - L20100MH1995PLC322040
PLOT NO. 3, B-44, NEAR MANAV MANDIR,
KANTOL ROAD, YERLA, NAGPUR, MH - 441501, INDIA.**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MUZALI ARTS LIMITED (Formerly known as WELCON INTERNATIONAL LIMITED)**. (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me with a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the **MUZALI ARTS LIMITED'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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder; to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as may be appropriately applicable for the period under review:-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(No incidence during the audit period, hence not applicable);**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(No incidence during the audit period, hence not applicable);**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(No incidence during the audit period, hence not applicable);**

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015;

(j) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(No incidence during the audit period, hence not applicable);**

(vi) I have reviewed the systems and mechanisms established by the Company for ensuring compliances under the other applicable Acts, Rules, Regulations and Guidelines prescribed under various laws which are specifically applicable to the Company and categorized under the following heads/ groups:-

(a) The Factories Act, 1948 and Rules made thereunder;

(b) Labour laws and other incidental laws related to labour and employees appointed by the Company;

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

(i) Secretarial Standards issued and notified by The Institute of Company Secretaries of India. SS-1 and SS-2 have been complied with by the Company during the Financial Year under review.

(ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange.

(iii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

Observations:-

1. The Company has made delay of 10 days in filing application for in-principal approval with Bombay Stock exchange for preferential allotment of equity shares.
2. The Company has not filed Consolidated Financial Statement for the Quarter ended 31st December 2022 and 31st March 2023 due to non-availability of financial information and existence of management dispute between management of the company and its subsidiary company.

I further report that

The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

I further report that

Based on the information provided and the representation made by the Company, in my opinion there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

The compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

I further report that during the audit period, there were no specific events/ actions in pursuance of the above referred laws, rules, regulations, guidelines, etc, having major bearing on the Company's affairs.

Date: 04/09/2023
Place: Nagpur
UDIN: F011S37E000923580

Sd/-
YUGANDHARA KOTHALKAR
PRACTICING COMPANY SECRETARY,
Membership No. – F11537
CP No. – 10337

ANNEXURE - A

To,

**THE MEMBERS,
MUZALI ARTS LIMITED,
CIN - L20100MH1995PLC322040
PLOT NO. 3, B-44, NEAR MANAV MANDIR,
KANTOL ROAD, YERLA, NAGPUR, MH - 441501, INDIA.**

My Secretarial Audit Report of even date is to be read along with this letter.

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

**Date: 04/09/2023
Place: Nagpur
UDIN: F011S37E000923580**

**Sd/-
YUGANDHARA KOTHALKAR
PRACTICING COMPANY SECRETARY,
Membership No. – F11537
CP No. – 10337**

ANNEXURE III

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your directors have pleasure in presenting the Management Discussion and Analysis report for the year ended on 31st March 2023.

INDUSTRY STRUCTURE, DEVELOPMENT:

Muzali Arts Limited, is a dynamic company with a multifaceted business portfolio. Our core activities revolve around two main sectors: the manufacturing of high-quality furniture and the trading of exquisite antique items. As we continue to chart our course in the business landscape, we are strategically exploring a myriad of options to enhance our profit margins. This involves meticulous expense management and a proactive approach to diversifying our business activities.

In a business environment that is occasionally marred by adversities, we maintain an unwavering belief in the immense growth potential of the Indian economy. This conviction propels us to seize the vast opportunities that the medium- and long-term promise, even as we acknowledge the potential for short-term challenges. Our forward-looking perspective takes into account the policy of liberalization and progressive regulatory changes that are poised to expand and reshape markets. These developments are expected to catalyse the growth of the industries in which we operate.

Indeed, positive government policies and regulatory changes serve as a catalyst for expanding the horizons of opportunities not only for our company but also for the entire spectrum of sectors we engage in. However, it is crucial to recognize that the absence or delay of these reforms, or certain unexpected regulatory shifts, can significantly impact business performance and potentially render existing business models unviable.

We are heartened by the robust growth witnessed across all sectors, underpinning our optimism for the forthcoming year. Our management team is diligently working towards capitalizing on these opportunities, ensuring that our strategic initiatives align seamlessly with market dynamics. With a steadfast commitment to delivering value and innovation, we anticipate even better results on the horizon.

In conclusion, Muzali Arts Limited is poised for continued growth and success by maintaining a prudent approach to management, remaining adaptable in the face of adversity, and leveraging the positive economic outlook and regulatory changes to our advantage. Our dedication to excellence and adaptability in the ever-evolving business landscape positions us well for a promising future.

SEGMENT-WISE PERFORMANCE:

The Company trades in a single business segment.

OPPORTUNITIES, THREATS, RISKS AND CONCERNS:

Opportunities in all the sectors are enormous. However, each of the sectors of the company has inherent threats, risks, and concerns, peculiar and applicable to each sector, like, changes and uncertainty of regulations, rising inflation, international factors, demand supply fluctuations, input cost fluctuations etc. Your company is well placed to face all these threats, risks and concerns.

OUTLOOK:

The Indian economy is driven by the government with its 'Make in India' slogan and bold initiatives for overall socio-economic development towards continued growth prospectus. Your company is well poised to reap the benefits in all the sectors. The outlook of the management in all the sectors is positive despite variety of adversity of factors.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has adequate and appropriate internal control systems. The Senior Management periodically reviews factors and issues that influence the Company's Business and takes appropriate decisions to ensure that the Company's interest and that of the stakeholders is protected. The Company has an inbuilt system of internal checks and controls. The Audit Committee of the Board reviews the adequacy and effectiveness of the internal controls and checks and suggests desired improvements from time to time.

HUMAN RESOURCES VIS-À-VIS INDUSTRIAL RELATIONS:

The Company values and appreciates the dedication and drive with which its employees have contributed towards improved performance during the year under review. The relations with workers and staff are cordial during the year under review. All issues pertaining to staff matters are resolved in harmonious and cordial manner.

CAUTIONARY STATEMENT:

This report contains forward looking statements that address expectations and projections about the future, based on certain assumptions of future events. Company's actual results, performance or achievements may, thus, differ materially from those projected in any such forward looking statements.

FOR MUZALI ARTS LIMITED

Sd/-

Farheen Mansoorbhai Murtuza
Chairman and Managing Director
DIN: 08965752
Date: - 06.09.2023
Place: - Nagpur

ANNEXURE IV**FORM NO. AOC -2**

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

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

1. Details of contracts or arrangements or transactions at Arm's length basis.

Sr. No.	Particulars	Details	Details	Details	Details	Details	Details	Details	Details
1	Name (s) of the related party & nature of relationship	Farheen Murtuza (Director & M.D.)	Mansoorbhai Murtuza (Promoter and Husband of Director)	Lalit Dave (CFO, Non Executive Director)	Vishal Jaisingh (Independent Director)	Jalan Jalan Inc	Mala Lalchandani (Independent Director)	Avigat Ganeriwalla (Independent Director)	Rohit Jadhav (Company Secretary)
2	Nature of contracts/ arrangements / transaction			Availing or rendering of services	Availing or rendering of services	sale, purchase or supply of goods or materials	Availing or rendering of services	Availing or rendering of services	Availing or rendering of services
3	Duration of the contracts/ arrangements / transaction								
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Salary, Rent	Consultancy Fees, Rent	Salary, Consultancy Fees, Sitting Fees	Sitting Fees	Export sale	Sitting Fees	Sitting Fees	Salary, Consultancy Fees
5	Date of approval by the Board								
6	Amount paid as advances, if any	Rs. 24,00,000/- (Salary), Rs. 6,00,000/- (Rent)	Rs. 9,80,000/- (Consultancy Fees), Rs. 6,00,000/- (Rent)	Rs. 4,30,000/- (salary), Rs. 5,30,000/- (Consultancy Fees),	Rs. 9,000/-	Rs. 8,58,240/-	Rs. 10,000/-	Rs. 4,500/-	Rs. 2,10,000/- (Salary), Rs. 22,000/- (Consultancy Fees)

				4,500/- (Sitting Fees)					
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2. Details of contracts or arrangements or transactions not at Arm's length basis.

There were no material contracts or arrangement or transactions of the Company not at arm's length basis during the year ended 31st March, 2023.

FOR MUZALI ARTS LIMITED

Sd/-
Farheen Mansoorbhai Murtuza
Chairman and Managing Director
DIN: 08965752
Date: - 06.09.2023
Place: - Nagpur

ANNEXURE V

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

**To,
The Members of
Muzali Arts Limited**

We have examined the relevant registers, records, forms, returns, and disclosures received from the Directors of Muzali Arts Limited having CIN: L20100MH1995PLC322040 having its Registered Office at Plot No. 3 B-44, Near Manav Mandir, Kantol Road, Yerla, Nagpur, Maharashtra, produced before us by the Company for the purpose of issuing their certificate in accordance with Regulation 34 (3) read with Schedule V- Para C- Clause 10(i) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No	Name of Director	DIN/PAN	Date of appointment in Company
1.	Avigat Ganeriwala	05180575	21/10/2022
2.	Vishal Jaisingh Ladharam	08100356	23/11/2020
3.	Ankur Rathi	AIXPR4019B	12/01/2023
4.	Lalit Kripashankar Dave	08483990	25/07/2022
5.	Farheen Mansoorbhai Murtuza	08965752	23/11/2020

* Ms. Mala Brijlal Lalchandani (DIN:07161506) Resigned on 26th July 2022

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

**Place: Nagpur
Date: 05th September 2023**

**Sd/-
Bhupendra Dave
Practicing Company Secretary
Membership No. 31921
Certificate of Practice No. 24293
UDIN: A031921E000945295**



INDEPENDENT AUDITORS' REPORT

To The Members of Muzali Arts Ltd

Report on the audit of the standalone financial statements

Opinion

We have audited the accompanying standalone financial statements of Muzali Arts Ltd ("the Company"), which comprise the balance sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of changes in Equity and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as 'standalone financial statement').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the **Companies Act, 2013** ('Act') in the manner so required and give a true and fair view in conformity with the Indian accounting standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit, total comprehensive income, changes in equity and cash flows for the year ended on that date.

Basis for opinion

We conducted our audit of the standalone financial statement in accordance with the standards on auditing 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 standalone financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, 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 Matters

Key audit matters are those matters that, in our professional judgment, were of 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 that there are no key audit matters to communicate in our report.

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Information other than the standalone financial statements and auditors' report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Standalone financial statements and our auditors' 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 such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard as no other information as described above has been made available for review.

Management's responsibility for the standalone financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the standalone financial statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is

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not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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Report on other legal and regulatory requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 in the Statement of Other Comprehensive Income, the cash flow statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the accounting standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2023 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 with reference to these Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) 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;
 - a. The Company does not have any pending litigations which would impact its financial position;
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
 - d. i. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether,

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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 (Refer note no. 31 to the standalone financial statement);

ii. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer note no. 31 to the standalone financial statement);

iii. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

iv. No dividend declared and paid during the year by the Company, hence no such compliance with Section 123 of the Act applicable to the company.

For M/s Gupta Ravi & Associates
Chartered Accountants
Firm's registration number: 006970N

Akhil Sharma
Partner
Membership number: 225300
Place: Jammu
Dated: 24.05.2023
UDIN: 22043746AJYCGM2779

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Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of Muzali Arts Ltd ('the Company') on the standalone financial statements for the year ended 31 March 2023, we report that:

- (i) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company do not hold any intangible assets during the year. Hence clause 3(i)(a)(B) of the order is not applicable.
- (b) As explained to us, Property, Plant and Equipment have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company does not hold any immovable property. Accordingly clause 3(i) (c) of the order is not applicable.
- (d) The Company has not revalued any of its Property, Plant and Equipment during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has provided unsecured loans to various entities, the aggregate amount provided during the year and balance outstanding at the balance sheet date with respect to such loans are as per the table given below:

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(Rs. in '000)

	Guarantees	Security	Loans	Advances in the nature of loans
Aggregate amount granted/ provided during the year				
- Subsidiaries	-	-	-	-
- Joint ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	9525.00	-
Balance outstanding as a balance sheet date in respect of the above case				
Subsidiaries	-	-	-	-
Joint ventures	-	-	-	-
Associates	-	-	-	-
Others	-	-	6850.00	-

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the investments made by the company and the unsecured loans granted by the company are not prejudicial to the interest of the company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the repayment schedule of principal and interest are not stipulated for the loans given by the company and hence the repayments or receipts if any are regular in nature cannot be determined.
- (d) Since the terms of repayment are not stipulated, total amount overdue/recoverable for more than 90 days cannot be determined.
- (e) Since the terms of repayment are not stipulated, the total amount of loan fallen due during the year cannot be identified. According to the reporting under clause 3 (iii) (e) of the Order cannot be determined.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the amount of unsecured loans granted by the company either repayable on demand or without specifying any terms or period of repayment are as per table below:

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(Rs. in '000)

	All parties	Promoters	Related parties
Aggregate amount of loans			
- Repayable on demand	Nil	Nil	Nil
- Agreement does not specify any terms or period of repayment (B)	9525.10	Nil	Nil
Total (A) +(B)	9525.10	Nil	Nil
% of loans to the total loans	100%	Nil	Nil

- (iv) In our opinion and according to the information and explanations given to us, the Company has not made any loans which require compliance of section 185 of the Act. However company has made investments in compliance with s. 186 of the Act.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly clause 3 (v) of the Order is not applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company. Accordingly clause 3 (vi) of the Order is not applicable.
- (vii) (a) According to the information and explanation given to us, employees state insurance, sales-tax, wealth tax, duty of customs, duty of excise, are not applicable to the company. The Company is regular in depositing undisputed statutory dues including income tax, value added tax, Goods and Service Tax, Profession tax, provident fund, and other statutory dues with the appropriate authorities during the year, except for Profession tax, provident fund, Income Tax & Goods and Service Tax.

According to the information and explanation given to us, no undisputed amounts payable were in arrears, as at 31st March, 2023 for the period of more than six months from the date they became payable.

The disputed amount with respect to profession tax is Rs. 30122 and disputed amount with respect to employees & employers share of provident fund Rs. 19193 each.

- (b) According to the information and explanation given to us, there are no statutory dues of income tax, goods and service tax, provident fund, sales-tax or duty of customs or duty

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of excise or value added tax, cess which have not been deposited with the appropriate authorities on account of any dispute.

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (x) (a) The Company did not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (x) (a) of the Order is not applicable.

(b) During the year, the Company has made preferential allotment of shares. The company has complied with section 62 of Companies Act 2013 but there was a delay of 10 days in applying for in-principle approval under regulation 160(f) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation to BSE.

Also, out of funds received against preferential allotment of shares Rs one crore was transferred against repayment of loan.
- (xi) (a) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit. Hence reporting under clause 3(xi)(a) of the Order is not applicable.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. Hence reporting under clause 3(xi)(b) of the Order is not applicable.

(c) According to the information and explanations given to us and as represented to us by the management, no whistle-blower complaints received during the year by the company. Hence reporting under clause 3(xi)(c) of the Order is not applicable.
- (xii) The Company is not a nidhi company and accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us, the companies has undertaken transactions with the related parties and are in compliance with s. 177 and s. 188, of the Act, during the year. Also the related party disclosures as required by the relevant accounting standards have been disclosed in the standalone financial statement.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
(b) The reports of the Internal Auditor for the period under audit have been considered by us.

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- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has incurred Rs. 8100 thousand cash losses during the financial year covered by our audit, but has not incurred cash loss in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.
- (xix) On the basis of the financial ratios (Refer note no. 30 to the financial statement), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the provisions of s. 135 of Companies Act, 2013 are not applicable to the company. Accordingly reporting under clause 3(xx)(a) & (b) of the Order is not applicable.
- (xxi) The reporting under clause 3 (xxi) of the Order is not applicable in respect of audit of Standalone financial statement. Accordingly, no comment in respect of the said clause included in this report.



For M/s Gupta Ravi & Associates
Chartered Accountants
Firm's registration number: 006970N

Akhil Sharma
Partner
Membership number: 225300
Place: Jammu
Dated: 24.05.2023
UDIN: 22043746AJYCGM2779

Head Office: K.C. Plaza, Residency Road, Jammu – 180004, Telefax: +91 191 2577306

Branch Offices:-

Ward number-3, Near Akhil Medicos, Bari Brahmana, Samba, 181133
Flat no-35B, 1st Floor Sunrise Enclave, Sector 127, Kharar Landran Road, Mohali, Chandigarh, 140301

Email: guptaravi57@gmail.com, caakhil16@gmail.com



Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Muzali Arts Ltd ("the Company") as of 31 March 2023 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note 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 controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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.

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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 standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone 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 31 March 2023, 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.

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Email: guptaravi57@gmail.com, caakhil16@gmail.com



For M/s Gupta Ravi & Associates
Chartered Accountants
Firm's registration number: 006970N

Akhil Sharma
Partner
Membership number: 225300
Place: Jammu
Dated: 24.05.2023
UDIN: 22043746AJYCGM2779

Head Office: K.C. Plaza, Residency Road, Jammu – 180004, Telefax: +91 191 2577306

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MUZALI ARTS LIMITED
BALANCE SHEET AS AT 31st March, 2023

Particulars	Notes	As At 31st March 2023	As At 31st March 2022
Assets			
(1) Non-Current Assets			
(a) Property, plant and equipment	2	2,46,492	2,71,961
(b) Capital Work in Progress		7,52,628	7,52,628
(c) Financial assets			
(i) Investments	3	2,84,71,511	4,76,18,961
(d) Deferred Tax Asset (Net)	4		
Total Non-Current Assets		2,94,70,630	4,86,43,550
(2) Current Assets			
(a) Inventories	5	1,02,61,947	1,00,59,755
(b) Financial assets			
(i) Trade receivables	6	1,69,29,012	1,72,69,122
(ii) Cash and cash equivalents	7	66,25,580	23,09,714
(iii) Loans	8	4,66,91,130	4,77,83,768
(c) Others Current Assets	9	3,29,04,147	3,71,45,306
Total Current Assets		11,34,11,816	11,45,67,665
Total Assets		14,28,82,446	16,32,11,215
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	10	5,91,64,667	5,08,48,000
(b) Other Equity	11	7,03,55,496	7,54,67,905
Total Equity		12,95,20,163	12,63,15,905
Liabilities			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	10,75,000	2,11,26,325
Total Non-Current Liabilities		10,75,000	2,11,26,325
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	-	-
(ii) Trade Payables	14	27,10,292	30,45,090
(b) Other Current Liabilities	15	95,76,991	1,20,38,825
(c) Current Tax Liabilities (Net)	16	-	6,85,070
Total Current Liabilities		1,22,87,283	1,57,68,985
Total Equity and Liabilities		14,28,82,446	16,32,11,215
		(0)	0
Summary of significant accounting policies	1		
Notes to accounts	2-28		

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For Gupta Ravi & Associates
Chartered Accountants
Firm number: 006970N

For and on behalf of the Board
MUZALI ARTS LIMITED

Sd/-
Partner: Akhil Sharma
Membership No. 225300
Place: Jammu
Date : 24.05.2023

Sd/-
(FARHEEN MANSOORBHAI MURTUZA)
Managing Director
DIN :08965752

MUZALI ARTS LIMITED
Statement of Profit and Loss for the year ended 31st March, 2023

Particulars		Note No.	For the year ended 31st March, 2023	For the year ended 31st March, 2022
I)	Revenue From Operations	17	1,06,79,140	2,75,42,969
II)	Other Income	18	37,16,878	37,50,521
III)	Total Revenue (I+II)		1,43,96,018	3,12,93,490
IV)	Expenses :			
	Purchase of Stock-in-Trade	19	71,22,840	1,73,99,300
	Changes in Inventory of Finished goods, Work-in-Progress and Stock-in-Trade	20	(2,02,192)	(58,86,864)
	Employee Benefit expenses	21	62,72,496	73,57,477
	Finance Cost	22	10,83,333	12,50,000
	Depreciation and amortization Expenses		1,03,688	1,16,887
	Other Expenses	23	82,19,926	81,11,736
	Total Expenses (IV)		2,26,00,091	2,83,48,537
V)	Profit/(Loss) Before exceptional and tax (III-IV)		(82,04,073)	29,44,954
VI)	Exceptional Items	24	2,45,00,843	-
VII)	Profit/(Loss) Before Tax (V-VI)		(3,27,04,916)	29,44,954
VIII)	<u>Tax Expenses</u>			
	i) Current Tax		-	4,57,480
	ii) Deferred Tax		-	-
	iii) Excess/ Short Provision of tax relating to earlier years		(7,94,013)	-
IX)	Profit (Loss) from Continuing Operations (VII-VIII)		(3,19,10,903)	24,87,474
X)	Other Comprehensive income;			
	A (i) Items that will not be reclassified to profit or loss			
	- Equity Instruments through other comprehensive income		5,89,93,382	1,19,61,932
	B (i) Items that will be reclassified to profit or loss		0	0
XI)	Total Comprehensive Income for the period (Comprising profit/ (loss) and other Comprehensive Income for the period (IX-X)		2,70,82,479	1,44,49,405
XII)	<u>Earnings per Equity Shares</u>	25		
	1) Basic		(0.54)	0.05
	2) Diluted		(0.54)	0.05
	Summary of significant accounting policies	1		
	Notes to accounts	2-28		

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For Gupta Ravi & Associates
Chartered Accountants
Firm number: 006970N

For and on behalf of the Board
MUZALI ARTS LIMITED

Sd/-

Partner: Akhil Sharma
Membership No. 225300
Place: Jammu
Date : 24.05.2023

Sd/-
(FARHEEN MANSOORBHAI MURTUZA)
Managing Director
DIN :08965752

MUZALI ARTS LIMITED
Cash Flow Statement for the year ended March 31, 2023

PARTICULARS	For the Year Ended 31st March 2023	For the Year Ended 31st March 2022
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit /(Loss) before tax	(3,27,04,916)	2944953.646
<u>Adjustment for:-</u>		
Interest Income	(35,65,560)	(34,77,960)
Dividend Received	(2,135)	
Finance Cost	1083333	1250000
Depreciation	103688	116887
Written off	0	20087
Foreign Currency exchange loss on investment	0	0
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(3,50,85,589)	8,53,968
<u>Movements in Working Capital :-</u>		
(Increase)/decrease Trade and other receivables	3,40,110.77	(1,72,89,209.47)
Increase/(decrease) Trade Payables	(3,34,797.96)	41,808.86
Increase/(decrease) Other Current Liabilities	(31,46,904.24)	55,57,701.43
(Increase)/decrease in Inventories	(2,02,192)	-5886863.61
(Increase)/decrease Others Current Assets	42,41,159.14	60,98,104.21
CASH GENERATED FROM OPERATIONS	(3,41,88,213)	(1,06,24,490)
Direct Taxes Paid	794013	-457480
Last Year Direct Taxes Paid		
I NET CASH FLOW FROM OPERATING ACTIVITIES	(3,33,94,200)	(1,10,81,970)
B CASH FLOW FROM INVESTING ACTIVITIES		
Loan Received / (Given) (NET)	10,92,638	1,29,14,799
Purchase of Fixed Assets	(78,219)	(7,28,608)
New Investments		(3,02,36,377)
Sale of Investments	19147450.55	0
Interest Received	3565560	3477960
Dividend Received	2135	0
II NET CASH USED IN INVESTING ACTIVITIES	2,37,29,565	(1,45,72,226)
C CASH FLOW FROM FINANCING ACTIVITIES		
Precceeds from issue of share capital	8316667	0
Cash received from securities premium	15021333	0
Loans Taken/ (Repaid) (Net)	(2,00,51,325.10)	1,18,19,710.10
Proceeds from issue of Equity warrants	0	0
Changes in OCI	1,17,77,160.75	(88,97,305.22)
Proceeds from Share Allotment Money		48,40,000.00
Interest Paid	(10,83,333.00)	(12,50,000.00)
III NET CASH USED IN FINANCING ACTIVITIES	1,39,80,503	65,12,405
NET INCREASE/(DECREASE) IN CASH OR CASH EQUIVALENTS (I + II + III)	43,15,867	(1,91,41,792)
Add:- CASH & CASH EQUIVALENTS AS AT BEGNNING	2309713.67	21451505
CLOSING BALANCE OF CASH & CASH EQUIVALENTS (Refer Note 7)	66,25,580	23,09,713
	0	(0)

The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard (Ind AS) 7 on Statement of Cash Flows.

For Gupta Ravi & Associates
Chartered Accountants
Firm number: 006970N

For and on behalf of the Board
MUZALI ARTS LIMITED

Sd/-
Partner: Akhil Sharma
Membership No. 225300
Place: Jammu
Date : 24.05.2023

Sd/-
(FARHEEN MANSOORBHAI MURTUZA)
Managing Director

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

Note 1: Significant accounting policies Background

Muzali Arts Limited (the company) is a public limited company and is listed on Bombay stock exchange. The registered office is located at B-44, Plot No. 3, Manav Mandir Road, Katol Road, Yerla, Nagpur 441501.

The company is engaged in activities of Trading and Manufacturing of furniture, Interior Designing and Land Scape development business.

a. Basis of preparation

(i) Compliance with Ind AS

The company has prepared financial statements for the year ended March 31, 2023 in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act together with comparative period data as at and for the year ended March 31, 2023.

(ii) Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following: Certain financial assets and liabilities which are measured at fair value.

(iii) Current versus Non-Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current non – current classification of assets and liabilities.

b. Functional and currency presentation of currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupee, which is the Company's functional and presentation currency. All amounts are rounded off to the nearest rupees in lakhs.

c. Segment Reporting

Ind AS 108 Operating Segments requires Management to determine reportable segments for the purpose of disclosure in financial statements based on internal reporting reviewed by the Chief Operating Decision Maker (CODM) to assess performance and allocate resources. The standard also requires Management to make judgments with respect to aggregation of certain operating segments into one or more reportable segments.

The Company has determined that the Chief Operating Decision Maker (CODM) is the Board of Directors (BOD), based on its internal reporting structure and functions of BOD. The Operating Segment used to present segment information identified based on the internal reports used and reviewed by the BOD to assess performance and allocate resources. The Management has determined that Company's current business activity has only one reportable segment Property Owning and Leasing.

d. Revenue Recognition

(i) Sale of Goods

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the

goods, and the amount of revenue can be measured reliably.

(ii) Sale of Services

Revenue is recognized only when evidence of an arrangement is obtained and the other criteria to support revenue recognition are met, including the price is fixed or determinable, services have been rendered and collectability of the resulting receivables is reasonably assured. Revenue is reported net of discounts and indirect taxes.

(iii) interest Income

Interest Income from a Financial Assets is recognised using effective interest rate method.

(iv) Dividend Income

Dividend Income is recognised when the Company's right to receive the amount established which is generally when shareholder approves the dividend and it probable that economic benefit associated with the dividend will flow to the company and the amount of dividend can be measured reliably.

e. Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

f. Tax Expense

The tax expense for the period comprises current tax and deferred income tax. Tax is recognized in the statement of income except to the extent it relates to items directly recognized in equity or in other comprehensive income.

(i) Current Tax:

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

(ii) Deferred Tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, and deferred tax assets are recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

Deferred tax assets pertaining to unabsorbed depreciation or carry forward of losses under tax laws is recognized only to the extent that there is virtual certainty supported by convincing evidence that future taxable income will be available against which such deferred tax assets can be realized. In all other cases, recognition of deferred tax asset is based on reasonable certainty instead of virtual certainty.

Deferred tax assets are reviewed for the appropriateness of their respective carrying amounts at each Balance Sheet date.

At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognises previously unrecognised deferred tax assets to the extent that it has become probable that future taxable profit allow deferred tax assets to be recovered.

g. Impairment of assets

The carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal / external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of a) fair value of assets less cost of disposal and b) its value in use. Value in use is the present value of future cash flows expected to derive from an asset or Cash-Generating Unit (CGU).

Based on the assessment done at each balance sheet date, recognised impairment loss is further provided or reversed depending on changes in circumstances. After recognition of

impairment loss or reversal of impairment loss as applicable, the depreciation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life. If the conditions leading to recognition of impairment losses no longer exist or have decreased, impairment losses recognised are reversed to the extent it does not exceed the carrying amount that would have been determined after considering depreciation / amortisation had no impairment loss been recognised in earlier years.

Non-financial Assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

h. Cash and cash equivalents

For the purposes of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, in banks and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value.

i. Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment, if any.

j. Financial Instruments

i) Financial Assets

A. Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss transaction costs that are attributable to the acquisition of the financial asset. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement

a) Financial assets carried at amortised cost (AC)

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

b) Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C. Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

D. Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

(ii) Financial liabilities

A. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent measurement

(i) Trade and other payables:

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(ii) Loans and borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the Effective Interest Rate (EIR) amortisation process. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

k. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

l. Property, plant and equipment

(i) Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. General and specific borrowing costs directly attributable to the construction of a qualifying asset, if any, are capitalized as part of the cost.

(ii) Transition to Ind AS

On transition to Ind AS, the Company has decided to continue with the carrying value of all its property, plant and equipment recognised as at April I, 2016 as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(iii) Depreciation

The Company depreciates property, plant and equipment on a Straight-Line basis as per the useful lives prescribed under Schedule II of the Companies Act, 2013. The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate and where appropriate.

m. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

n. Gratuity

No provision for gratuity has been made as no employee has put in qualifying period of service entitlement of this benefit

o. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

p. Earnings per share

The basic earnings per share is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share and also the weighted average number of equity shares which would have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period unless they have been issued at a later date.

q. Provisions, Contingent Liabilities and Contingent Assets

The Company recognizes a provision, when there is a present obligation as a result of past events, the settlement of which is probable to result in an outflow of resources and a reliable estimate can be made of the amount of obligation.

Contingent Liabilities are disclosed by way of a note to the financial statements after careful evaluation by the Company of the facts and legal aspects of the matters

involved.

Contingent Assets are neither recognized nor disclosed.

r. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to nearest rupee as per the requirement of Schedule III, unless otherwise stated.

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Company's financial statements requires management to make judgment, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as and when management becomes aware of changes and circumstances surrounding the estimates. Changes in the estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to financial statements.

Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below:

- Recognition of deferred tax asset: availability of future taxable profit
- Recoverability of trade receivable
- Recognition and measurements of provision and contingencies: key assumption of the livelihood and magnitude of an outflow of resources.
- Impairments of Non-Financial Assets
- Impairments of Financial Assets

MUZALI ARTS LIMITED

STAEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31,2023

(Amount in Rs.)

Particulars	Notes	Equity Share Capital	Reserves & Surplus		Items of Other Comprehensive Income	Equity Warrant	Share Security Premium	Total
			General Reserve	Retained Earnings	Equity instrument through OCI			
Balance at April 1, 2022		4,86,98,000	1,01,35,700	84,59,409	(92,92,205)	16,12,500	6,45,52,500	12,41,65,905
Profit for the year		-	-	(3,19,10,903)	-	-	-	(3,19,10,903)
Prior period error		-	-	-	-	-	-	-
Addition During the year		83,16,667	-	-	-	-	-	-
Deletion During the year		-	-	-	-	-	-	-
Total Comprehensive income for the year		83,16,667	-	(3,19,10,903)	-	-	-	(2,35,94,236)
Balance as at March 31, 2023		4,86,98,000	1,01,35,700	59,71,936	(92,92,205)	16,12,500	6,45,52,500	12,16,78,431
Profit for the year		-	-	24,87,474	-	-	-	24,87,474
Other Comprehensive income for the year		-	-	-	(92,92,205)	-	-	(92,92,205)
Prior period error		-	-	-	-	-	-	-
Total Comprehensive income for the year		-	-	24,87,474	(92,92,205)	-	-	(68,04,731)
Transactions with owners in their capacity as owners:								
Issue of equity shares on preferential basis		-	-	-	-	-	-	-
Balance as at March 31, 2023		4,86,98,000	1,01,35,700	84,59,409	(92,92,205)	16,12,500	6,45,52,500	12,41,65,905

The above statement of changes in equity should be read in conjunction with accompanying notes.
This is the Statement of changes in equity referred to our report of even date.

For Gupta Ravi & Associates
Chartered Accountants
Firm number: 006970N

For and on behalf of the Board
MUZALI ARTS LIMITED

Sd/-
Proprietor: Akhil Sharma
Membership No. 225300
Place: Jammu
Date : 24.05.2023

Sd/-
(FARHEEN MANSOORBHAI MURTUZA)
Managing Director
DIN :08965752

MUZALI ARTS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR 31st March , 2023

PARTICULARS		As at 31.03.2023	As at 31.03.2022
NOTE # 3			
Non - Current Investment			
Investments carried at Fair Value Through Other Comprehensive Income (FVOCI)			
INVESTMENTS IN EQUITY INSTRUMENTS - QUOTED(fully paid up) :			
East West Holding Limited	1,00,000	4,29,000	8,66,000
Amaze Entertech Limited	1,17,297	-	1,39,58,343
Trio Mercantile & Trading Ltd	33,04,330	-	68,39,963
Aditya Consum Mkting	4,000	2,04,520	-
Aptus Value Housing	100	24,340	-
Avenue Supermarts Lt	100	3,40,330	-
Bharat Seats	250	20,298	-
Croissance Ltd	2,500	18,025	-
Hdfc Bank-Shares	100	1,60,975	-
Hdfc Life Insurance Company Ltd.	250	1,24,838	-
Hindustan Construction Company Ltd.	2,500	34,225	-
Indian Energy Exch L	3,000	3,83,700	-
Indian Railway Cater-Irctc	200	1,14,600	-
Kokuyo Camlin	2,000	1,37,500	-
NLC India Limited	345	26,631	-
Olectra Greentech	100	61,845	-
Railtel Corporation Of India	1,000	1,01,100	-
Religare Enterprises	1,500	2,17,575	-
Sharda Motors Ind	100	55,895	-
Som Distillers & Breweries	400	61,460	-
		25,16,856	2,16,64,306
UNQUOTED :			
Jalan Jalan Collection Inc.		2,59,54,655	2,59,54,655
TOTAL INVESTMENTS		2,84,71,511	4,76,18,961
Agreegate of Quoted Investment & market value thereof		25,16,856	2,16,64,306
Agreegate of Un-Quoted Investment		2,59,54,655	2,59,54,655

NOTE # 4 Deferred Tax Asset Property Plant Equipment		
	-	-
	-	-
<p>In assessing the realizability of deferred income tax assets, management considers whether some portion or all of deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The amount of the deferred income tax assets considered realizable, however could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.</p>		

NOTE # 5 Inventories Stock in Trade		
	1,02,61,947	1,00,59,755
	1,02,61,947	1,00,59,755

NOTE # 6 Trade Receivables (Unsecured, Considered good) - Current Trade Receivable Less: Allowance for Bad & Doubtful Debts		
	1,69,29,012	1,72,69,122
	-	-
	1,69,29,012	1,72,69,122
<p>Note :- No amounts are receivable from directors or other officers of the company either severally or jointly with any other person or from by the firms or private companies in which any director is a partner or a director or a member.</p>		

NOTE # 7 Cash and Cash Equivalents Balances with Bank -in Current accounts -deposits with maturity of less than 3 months Cash on Hand		
	55,36,633	18,95,300
	-	-
	10,88,947	4,14,413
	66,25,580	23,09,714

NOTE # 8 Current Loans (Unsecured, Considered good) <u>Demand Loan : Others</u> - Intercompany Deposit - Others		
	8,13,898	8,13,898
	4,58,77,232	4,69,69,870
	4,66,91,130	4,77,83,768

Note :- No amounts are receivable from directors or other officers of the company either severally or jointly with any other person or from by the firms or private companies in which any director is a partner or a director or a member.

NOTE # 9		
Other Current Assets		
<u>Advances other than capital advances</u>		
Security Deposits	25,000	25,000
Duties & Taxes - GST (Net)	8,86,551	21,55,461
Advance to Supplier	3,19,92,596	62,48,285
Advance to Related Party	-	2,87,16,560
	3,29,04,147	3,71,45,306

PARTICULAR		(Amount in Rs.) As at 31st March, 2023	
Note - 10 Share Capital			
<u>Authorized Capital</u>			
6,00,00,000 equity shares of Rs. 1/- each (6,00,00,000 and 6,00,00,000 Equity Shares of Re. 1/- each and Re. 1/-each at March 31, 2023)		6,00,00,000	
<u>Issued, Subscribed & Fully Paid - up</u>			
2,02,98,000 Equity Shares of Rs 1/- each (2,02,98,000 and 2,02,98,000 Equity Shares of Re. 1/- each and Re. 1/-each at March 31, 2022)		2,02,98,000	
<u>Issued, Subscribed & Fully Paid - up</u>			
2,52,00,000 Equity Shares of Rs 1/- each (2,52,00,000 and 2,52,00,000 Equity Shares of Re. 1/- each and Re. 1/-each at March 31, 2022)		2,52,00,000	
<u>Issued, Subscribed & Fully Paid - up</u>			
32,00,000 Equity Shares of Rs 1/- each (32,00,000 and 32,00,000 Equity Shares of Re. 1/- each and Re. 1/-each at March 31, 2022)		32,00,000	
<u>Issued, Subscribed & Fully Paid - up</u>			
21,50,000 Equity Shares of Rs 1/- each (21,50,000 and 21,50,000 Equity Shares of Re. 1/- each and Re. 1/-each at March 31, 2022)		21,50,000	
<u>Issued, Subscribed & Fully Paid - up</u>			
21,50,000 Equity Shares of Rs 1/- each (21,50,000 and 21,50,000 Equity Shares of Re. 1/- each and Re. 1/-each at March 31, 2022)		21,50,000	
<u>Issued, Subscribed & Fully Paid - up</u>			
61,66,667 Equity Shares of Rs 1/- each		61,66,667	

(61,66,667 and 61,66,667 Equity Shares of Re. 1/- each and Re. 1/-each at March 31, 2023)	
	11,83,29,334

(i)Reconciliation of number of share outstanding at beginning and at the end of the reporting period:			
	No of Shares		Amount
At the beginning of the year	5,08,48,000		5,08,48,000
Issued during the Year	83,16,667		83,16,667
Less Forfeited During the Year	-		
Oustanding at the end of the year	5,91,64,667		5,91,64,667

(ii) Terms/ right attached to Equity Shares

The Company has Only one Class of equity shares having par value of Rs.1 per Shares. Each holder of Equity Shares is Entitled to one vote per share. In the event of liquidation of the company, the holders of equity share will be entitled to receive remaning assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

(III) Detail of shares held by the holding company, the ultimate holding company, their subsidiaries and associates :	NIL	
--	-----	--

Details of Shareholders holding more than 5% shares in the Company

Name of the Shareholders	As at 31st March, 2023		
	%		No of Shares
Farheen Murtuza Mansoorbhai	15.54		91,94,216
Mansoorbhai Murtuza	15.54		91,93,997

NOTE # 11		
Other Equity		
(a) General Reserve		
As per last Balance Sheet	1,01,35,700	1,01,35,700
Addition during the year	-	-
	1,01,35,700	1,01,35,700
(b) Retained Earnings		
As per last Balance Sheet	84,59,409	59,71,936
Add: Profit for the year	(3,19,10,903)	24,87,474
Less : Allocations & Appropriations	-	-
Less : Previous Year Tax	-	-
Transfer to Reserves	-	-
	(2,34,51,493)	84,59,409
(c) Equity Instruments through Other Comprehensive Income		
Opening Balance	(92,92,205)	(3,94,899)
During the year addition	5,89,93,382	1,19,61,932
Deletion During the year	4,72,16,221	2,08,59,237
Closing Balance	24,84,956	(92,92,205)

(c) Security Premium		
Opening Balance	6,45,52,500	5,68,00,000
During the year addition	1,50,21,333	77,52,500
Closing Balance	7,95,73,833	6,45,52,500
(d) Equity Warrant		
Opening Balance	16,12,500	66,75,000
During the year deletion	-	99,02,500
During the year addition	-	48,40,000
Closing Balance	16,12,500	16,12,500
	7,03,55,496	7,54,67,905

NOTE # 12		
Non Current - Long Term Borrowings		
Unsecured		
Demand Loans	10,75,000	2,11,26,325
	10,75,000	2,11,26,325

NOTE # 13		
Current - Long Term Borrowings		
Unsecured		
Demand Loans	-	-
	-	-

NOTE # 14		
Trade Payables		
Current Trade payables	27,10,292	30,45,090
	27,10,292	30,45,090
i. Total outstanding dues of micro enterprises and small enterprises	-	-
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises*	27,10,292	30,45,090

*Disclosure in relation to Micro and Small enterprises 'Suppliers' as defined in the Micro, Small and Medium Enterprises Development Act, 2006 ('Act').

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum Number as allocated after filing of the said Memorandum. Accordingly, the disclosures above in respect of the amounts payable to such enterprises as at the period end has been made based on information received and available with the Company.

As explained by management there is no outstanding balance related to Micro and Small enterprises 'Suppliers' as defined in the Micro, Small and Medium Enterprises Development Act, 2006 ('Act') as at year end.

NOTE # 15		
Other Current Liabilities		
Other Payables		
Statutory Dues	71,79,179	93,33,189
Creditors for Expenses payable	23,97,812	27,05,636
	95,76,991	1,20,38,825

NOTE # 16		
<u>Current Tax Liabilities</u>		
Income Tax (Net)	-	6,85,070
	-	6,85,070

MUZALI ARTS LIMITED**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023****(Amount in Rs.)**

SR. No.	PARTICULARS	Usefull Life	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
			AS ON 01.04.2022	ADDITIONS DURING THE YEAR	SALE / DISPOSAL DURING THE YEAR	TOTAL AS ON 31.03.2023	UPTO 01.04.2022	FOR THE YEAR	ADJUSTMENT	UPTO 31.03.2023	NET CARRYING AMOUNT AS ON 31.03.2023	NET CARRYING AMOUNT AS ON 31.03.2022
1	Building Shed	30	1,61,213	-	-	1,61,213	14,573	13,740	-	28,313	1,32,900	1,46,640
2	CCTV Cameras	5	20,757	-	-	20,757	9,330	5,080	-	14,409	6,348	11,427
3	Mobile Handsets	5	2,06,878	78,219	-	2,85,097	92,985	84,868	-	1,77,853	1,07,244	1,13,894
TOTAL			3,88,848	78,219	-	4,67,067	1,16,887	1,03,688	-	2,20,575	2,46,492	2,71,961

MUZALI ARTS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2023

PARTICULARS	As at 31st March, 2023	As at 31st March, 2022
Note -17		
Revenue From Operation		
Sale of Goods	1,06,79,140	2,75,42,969
Total In `	1,06,79,140	2,75,42,969
Note -18		
Other Income		
Interest on Loan	35,65,560	34,77,960
Dividend Received	2,135	-
Discount Received	-	62,557
Transporting Charges received	15,000	-
Balances written Off	-	-
Duty Drawback received	1,34,183	2,10,004
Total In `	37,16,878	37,50,521
Note -19		
Purchase of Stock in Trade	71,22,840	1,73,99,300
Total In `	71,22,840	1,73,99,300
Note -20 Change in inventories		
Opening Stock	1,00,59,755	41,72,892
Closing stock	1,02,61,947	1,00,59,755
Total In `	(2,02,192)	(58,86,864)
Note - 21		
Employee Benefit Expenses		
Salaries to Employees	61,11,975	71,51,411
Provident Fund Exp	1,60,521	2,06,066
Staff Welfare expenses	-	-
Total In `	62,72,496	73,57,477
Note - 22		
Finance Cost		
Interest on Loan	10,83,333	12,50,000
Total In `	10,83,333	12,50,000

Note -23**Other Expenses****Payment to Auditors-**

as Statutory Auditor

1,07,500

1,00,000

as Income Tax Auditor

-

-

Others :

Advertisement Expenses

1,11,064

1,70,200

Accounting Charges

24,000

Battery Charges

-

9,297

AGM Expenses

2,600

-

Bad Debts

-

1,29,800

Bank Charges

3,093

49,347

Book & Periodicals

6,150

-

BSE Listing Fees

6,00,000

3,00,000

BSE SOP Fine Paid

13,97,000

CDSL fees

89,992

63,500

Caning Job Work

21,000

90,060

CHA Agencies Charges

5,800

1,17,193

Commission Paid

-

9,840

Crane Services

-

4,500

Drill Machine Charges

-

1,950

Cousion Work Exp

-

1,80,300

Conveyance Exp

3,320

1,08,000

C.O.O Application & processign Charges

23,849

-

Curiour Expenses

4,400

27,777

Demat Charges

2,612

1,198

Director Sitting Fees

32,500

1,31,750

Electricity Expenses

1,03,630

1,72,073

Email Renewal Exp

-

3,300

Export Insurance

7,823

23,782

EPCH liecense fees

5,000

16,350

Food Exp

-

5,230

Freight Charges

3,62,913

23,438

Furniture Making Charges

27,642

5,55,923

Govt. Fee for certificate of Origin

13,542

Hardware Material (Refinishing)

2,57,062

4,52,996

Gram Panchayat tax

50,100

-

Interest on TDS

900

696

Inspection Charges

5,000

Internet Expenses

75,000

82,500

Labour Expenses

6,21,111

7,66,488

Late Payment Charges

1,280

13,440

Loss on sale of shares

-

61,768

Packing Charges

69,560

3,550

Loading Charges

500

3,000

MCA Fees

-

7,800

NSDL Fees

1,04,350

53,500

Office Expenses

99,963

1,90,988

Penalty Charges

-

14,000

Petrol Charges

34,080

28,625

PF Administration Charges

15,086

2,425

PF EDLIS Account

15,084

Photography Expenses

-

11,136

Printing And Stationery

11,149

1,660

Polish Charges

1,45,000

Professional Fees

9,01,300

6,47,925

Professional Tax

2,500

2,500

Legal Fee

7,200

ROC Charges

-

6,000

Rent Paid	-	39,000
Refinishing Exp	14,526	1,27,790
Repairs & Maintenance	1,46,070	3,80,685
Round off	62	6
RTA Fees	1,49,739	89,000
Shipping Charges	4,40,667	4,39,627
Stamp Duty	959	4
Telephone Expense	32,482	42,078
Transaction Charges	-	1,200
Transportation Charges	2,51,800	2,21,690
Travelling Conveyance	6,11,834	9,04,765
Warehouse Rent	12,00,000	12,00,000
Written Off	134	20,087
ITC a		
Total In	82,19,926	81,11,736

Note -24		
Exceptional Items		
Salaries written Off	7,72,432	
GST input available but not availed in earlier years	17,25,041	
Long term capital Loss	2,20,03,369	
	2,45,00,843	

Note No: 25 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following data reflects the inputs to calculation of basic and diluted EPS

Particulars	As at 31.03.2023	As at 31.03.2022
Net Profit after tax attributable to equity holders	(3,19,10,903)	24,87,474
	(3,19,10,903)	24,87,474
Weighted average no of equity shares outstanding during the year- for Both Basic and Diluted EPS	5,91,64,667	5,08,48,000
Face value of Equity Share (INR)	1.00	1.00
Basic	(0.54)	0.05
Diluted	(0.54)	0.05

NOTE No. 26**Related party transactions****a) Related party and nature of the related party relationship with whom transactions have taken place during the year**

Muzali Arts is a partnership firm in which MD Mr. Murtuza Mansoorbhai and Director Mrs. Farheen Murtuza are partners

B) Key Management Personnel

Mr. Mansoorbhai Murtuza - Director's Husband

Mr. Farheen Murtuza - Managing Director

Mr. Lalit Dave - C F O till July 2022 thereafter became director

Mr. Rohit Jadhav - Company Secretary - Compliance Officer

NOTE No. : 27

Nature of Transactions During the year	(Amount in Rs.)	
	Related Parties	
	Referred in B Above	
Expenditure	2021-22	2020-21
Director Remunerations	24,00,000	48,00,000
Salary to KMP's	16,20,000	12,80,000
Rent paid to Director	12,00,000	12,00,000
Purchases from Beyond Boundries (Where Director is Sole Prop.)	-	3,11,000
Advance Payment for Purchase to Muzali Arts	-	2,85,75,132
Advance Payment for Lalit Dave	-	1,41,428
Professional Fee paid to director	5,30,000	
TOTAL	57,50,000	3,63,07,560

NOTE No. 28

Some of the balances of current loans, borrowings, current trade receivables, current trade payables are subject to confirmation and reconciliation of any.